

**Press review:
Mining in the South Pacific**

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Abbreviations in common use:

BCL: Bougainville Copper Limited

LNG: Liquid Natural Gas

PIR: Pacific Islands Report

PNG: Papua New Guinea

Websites:

Radio New Zealand: <https://www.rnz.co.nz/international/pacific-news>

PNG Post-Courier: <https://postcourier.com.pg/>

PNG The National: <https://www.thenational.com.pg/>

Porgera landowners association submit recommendation to agreement on resettlement

Post Courier, 31 October 2023

THE Porgera Landowners Association (PLOA) said they have already submitted a recommendation to both the National Government and Barrick Niugini Limited (BNL) to agree on resettlement first. Chairman of the PLOA Mark Ekepa said when clarifying the continuous concerns being raised on the different media forum by the landowners affected by the mine operation. He said the recommendation submit by PLOA will be part and parcel of the entire Compensation Agreement and that will trigger the landowners to access their customary land in order for the New Porgera Limited (NPL) to open the mine. “In contrast, the balance of the damages or compensation is negotiated over time (the full compensation negotiation may take up to 3 or more years to conclude) but falls on deaf ears.

“Now they want us landowners to give consent to access our land, and this is not acceptable and it also bypasses the Mining Act section. 155. “All they are doing is to evade the legacy issues so,

therefore, landowners must not compromise on it this time,” he said. Mr Ekepa said the NPL tenement holder is fully aware, has witnessed, and understands that a court sanctions full validations of the entire SML agents have been done and it’s registered. He said the full validation exercise was conducted by MRA taking land with several government departments and has completed its agent validations for both Special Mining Lease (SML) and Lease for Mining Purpose (LMP).

Mr Ekepa said the NPL tenement holder must be aware that the same compensation and occupations recipients have vested their powers through a voting system and not hand-picked to undermined the powers vested to each individual sub-clan agent to represent them in any negotiations for and on behalf of them in Porgera mine with all relevant stakeholders. “Now the NPL tenement holder is trying to play a divide and rule tactic to undermine the voting of agents done and was fully funded and coordinated by MRA. “Therefore, the tenement holder must understand what he it’s doing currently on the ground in Porgera to handpick its supporters and contractors to sign a consent agreement to access our customary land which is not acceptable to the landowners.”

Papua LNG to create jobs, training and education opportunities

Dale Luma, Post-Courier, 31 October 2023

PNG Europe Business Council president Michael Sullivan says the US\$10 billion Papua LNG Project will create substantial short-term and some significant medium-term job opportunities for Papua New Guineans, as well as extensive training and education opportunities. Speaking during the 4th EU PNG Business Investment and Trade conference, Mr Sullivan said given the proposed sharing of existing infrastructure owned and operated by the PNG LNG Project, the construction phase for Papua LNG will not be as substantial or costly as for PNG LNG. “Nevertheless, Papua LNG will provide a substantial stimulus to the PNG economy,” he said. Papua LNG is a liquified natural gas project located principally in Gulf Province and operated by TotalEnergies. The Papua LNG joint venture comprises TotalEnergies (37.55 per cent), Exxon Mobil (37.04 per cent), Santos (22.83 per cent) and JX Nippon (2.5 per cent).

Kumul Petroleum and MRDC both have back in rights of up to 20.5 per cent and 2.00 per cent respectively, exercisable when the petroleum development licence (PDL) is granted. The project’s gas resources have been estimated at over 1 billion barrels of oil equivalent. The project will have an export volume of 5.6 million tonnes per annum. PNG LNG will consist of 9 production wells, 1 water injection well, 1 CO₂ reinjection well and a gas processing plant, 320 kms of pipeline (out of which 60 kms are on shore) from the processing plant to the liquefaction plant located in Caution Bay close to Port Moresby. Front end engineering (FEED) studies of the upstream and downstream production facilities commenced in March 2023. A final investment decision (FID) is expected early in 2024 (end of first quarter or beginning of second quarter). Assuming a positive FID decision, first production is scheduled for early 2028. Total investment is expected to be US\$10 billion over the life of the project.

15,000 jobs for resource sector, says minister

The National, 31 October 2023

LABOUR and Employment Minister Kessy Sawang says the petroleum and mining sector must aim to create around 15,000 jobs for Papua New Guineans. Sawang said during the launch of the Petroleum Sector National Content Policy in Port Moresby yesterday. She said the sector had created many job opportunities for Papua New Guineans already but this needed to be scaled up. “We are very keen on resource naturalisation,” she said. “And this national content policy, is one that we want Papua New Guineans to maximise benefits from the extraction and development of their

resources, and the benefits must be shared equally among the people of PNG and I commend the Petroleum Department for institutionalising the national content to the policy and agreed that it should be a living document.”

Sawang said she was tasked to drive nationalisation of workforce in the extractive industry. “The Medium Term Development Plan 4 that we have recently launched states that we must have 15,000 jobs in the extractive industry, that is the mining and oil and gas sector,” she said. “Learnings from the PNG LNG is that during the construction, we had very high employment and when the construction phase ended it dropped. “We got to look at how we can skill our people so that when the construction phase is over, we can engage in regional labour mobility where we can send our skilled men and women into the region. “We would like to see a more defined pathway. “Unemployment is a big issue because we have an increased population,” she said. Sawang said the resource sector brought opportunities to train our people. “We are working on this workforce nationalisation, working with the other department and sectors like the mining, forestry and others that we can have in the content policy.”

ABG, BCL to end judicial review

The National, 30 October 2023

BOUGAINVILLE Copper Limited (BCL) has made good progress with the Autonomous Bougainville Government (ABG) in ending judicial review proceedings relating to the company’s EL01 exploration licence in the Panguna project area. In January 2018, the ABG refused an extension to the EL01, with BCL maintaining that the application process was undermined by third parties with vested interests in BCL’s mineral rights. This placed both the ABG and BCL in an untenable position. As a result, the company, acting in the best interests of all its shareholders, was granted leave for a Judicial Review of the decision in the PNG National Court. The proceedings have continued to this day. Separate to these proceedings, BCL and the ABG have been engaged in constructive dialogue with the mutual aim of amicably resolving the issue.

In a statement, BCL said it had confirmed through dialogue that BCL and the ABG had agreed on terms for a deed of settlement to end the judicial review proceedings with parties fulfilling their respective undertakings. Meanwhile, ABG President Ishmael Toroama has affirmed that the ABG has undertaken to reconsider BCL’s EL01 application with a view to extending the exploration licence for a period of five years. “On delivery of respective undertakings, including the extension of EL01, BCL has agreed to withdraw the judicial review proceedings,” the statement said. “The PNG National Court is expected to consider an application to stay the judicial review on Nov 13, 2023,” BCL board stated. ABG and the people currently hold a 36.4 per cent share in BCL and this is expected to increase to 72.8 per cent once shares held by the Government are transferred as part of a separate commitment.

Bougainville - mining

Radio New Zealand, 30 October 2023

The autonomous Papua New Guinea region of Bougainville and the mining company Bougainville Copper Ltd (BCL) say they are close to resolving a long running legal dispute. BCL took legal action in 2018 after the Bougainville government denied it an exploration licence, resulting in Judicial Review proceedings in the National Court of PNG, which are still ongoing. The Bougainville government said since then it has acquired a 36.45 percent shareholding in the company and is eyeing another 36.45 percent presently held by the PNG government. BCL now also has five

Bougainvillean directors and the Bougainville government said it is in the interests of Bougainvilleans to have constructive relations with a company that is locally owned and operated.

Both parties have agreed on terms for a deed of settlement that would see BCL drop the judicial review proceedings once the parties have delivered on a series of undertakings. These include BCL contributing funds to assist Panguna reburials and reactivating the Bougainville Copper Foundation education scholarships programme while the government would reconsider the application for an exploration licence. The government points out that this is not a mining licence - that that is subject to a separate process.



The Panguna copper and gold mine in Bougainville was closed down for operations in 1989 at the start of the civil war. Photo: RNZ / Johnny Blades

MRA boss assures Frieda River project developer

The National, 27 October 2023

MINERAL Resources Authority (MRA) acting managing director Jerry Garry has assured developers of the Frieda River project, Pan Aust Limited, that the Government, through MRA, is committed to progressing their special mining lease (SML) application. Pan Aust is the company that has been operating the Frieda River copper and gold project since 2014. The project is currently in pre-development pending assessment of its application for an environmental permit (EP) and a SML. Garry told Pan Aust's owners, Guangdong Rising Holding Group (GRHG), a Chinese infrastructure investment company owned by the Guangdong government, that the Frieda River project was a significant one for PNG.

The GRHG delegation visited the MRA office on Wednesday where Garry assured them that his team was currently focused on the re-opening of the Porgera mine and progressing the Wafi-Golpu project. However, he said the State was determined to start initial work on the Frieda project application in the first quarter of 2024. He said that by the second quarter, his team would be fully committed to progressing their application.

Garry said the main concern with the application centred on the Tailings Storage Facility (TSF), which would be discussed in detail and would involve input from experts from within PNG and abroad. Conservation Environment Protection Authority (Cepa) acting managing director Jude Tukuliya was also present at the meeting. The visiting delegation was specifically from the State-

owned assets supervision and administration commission (SASAC), which is a department within the Guangdong government. The SASAC manages all SOEs of the province.

K100mil interim dividend paid

By PETER ESILA, The National, 27 October 2023



THE Ok Tedi Mining Limited (OTML) has paid a K100 million interim dividend while also citing a positive outlook for a final dividend payment for December. OTML chairman Jeffrey Innes said: “We are proud to say that OTML is committed to delivering maximum returns to our PNG shareholders, mine impacted communities and the PNG. The Ok Tedi mine is 100 per cent PNG-owned with the State, through the Kumul Minerals Ok Tedi Ltd, owning 67 per cent while three Western province entities hold the 33 per cent. Innes said OTML had gone through numerous changes in the latter months of 2022 and more so this year with leadership changes, a business restructure, prudent cost management measures after conducting reviews and realigning plans to meet its targets.

“As a result, we have seen a turnaround in production levels and operational costs and that gives the board optimism about the company’s future and confidence in its continued operational success,” he said. Innes thanked the employees, contract partners and mine impacted communities for their resilience and support throughout the transition period. He said OTML had always been a resilient company and the board was confident of meeting its final dividend payout in December. “Our focus is to ensure existing systems and processes in place are improved to strengthen our operations and derive maximum value of the resources we have during and beyond the current life of mine plan to 2033,” he said. In September, the board approved a further mine life extension from 2033 to 2050.

OTML expects billions in revenue

The National, 27 October 2023

OK Tedi Mining Limited (OTML) chairman Jeffery Innes says the mine has seen a significant amount of capital works this year to ensure it can extend operation to 2050 and beyond. “We had to do a lot of capital works at the mine this year to make sure that we can actually keep going for another 20 or 30 years, that is a major project,” he said. “We need to continue to work at the steady rate and be focused on safety, environment and the people, in that way, we will be able to declare regular interim dividends and better final dividends to both PNG and Western province.” OTML

chief executive officer Kedi Ilimbit said Ok Tedi had so far brought in around US\$700 million (about K2.6 billion).

“We intend to bring in another US\$300-US\$400 million (about K1.1-K1.48 billion) and that should see us bring in a revenue of about US\$1.2 billion (about K4 billion) into the country, of that we retain back 30 per cent, 70 per cent we sell it to the market like BSP or ANZ or whoever but we operate within the guidelines of the Central Bank,” he said. Innes added that the revised mine life would see the company generate in excess of K30 billion in dividends, royalties, compensation payments and taxes for the benefit of OTML’s shareholders, communities and PNG as a whole over the next 27 years.

“So far this year, we have budgeted to spend US\$700 million (about K2.59 billion) on operational costs, so far we have reduced that by looking at costs savings and activities to be deferred and we are now sitting at US\$630 million (about K2.33 billion), in terms of spending,” he said. “Production as we speak today, we are ahead of the November shipments, in November we are supposed to do four shipments, so far we have already made two which means two more shipments.”

Churches to receive money from PNG state companies

Radio New Zealand on 25 October 2023



Prime Minister James Marape, right, has acknowledged that the churches have made an invaluable contribution to nation-building in Papua New Guinea. Photo: PNG Office of the Prime Minister
The government of Papua New Guinea is committing to pay ten percent of the earnings from two major state companies to the churches of PNG. Prime Minister James Marape has called the move transformative, "demonstrating the government's commitment to strengthening its partnership with the churches." The ten percent of earnings from Kumul Petroleum Holdings Ltd and Kumul Minerals Holdings Ltd is to support church activities in healthcare, education and distance learning. It will also go to towards youth development and to help the growing number of school leavers find training and employment.

The prime minister acknowledged that the churches have made an invaluable contribution to nation-building. "We understand that we cannot achieve our national goals alone. The work of the churches is instrumental in guiding our nation on the right path. We encourage you "to continue your service to Papua New Guinea and humanity," he said. There is also government funding of 6.5

million kina or US\$1.7 million dollars to build headquarters for the PNG Council of Churches, to serve as a central hub for church related activities across the country. And Marape wants the churches to broaden their outreach, particularly in the areas of education, healthcare, youth development, small to medium enterprises programmes, the distribute on of coffee and cocoa seedlings, and the promotion of agriculture. One of Kumul Petroleum Holdings Ltd main assets is a 16.57 percent interest in the huge ExxonMobil liquified natural gas project. Kumul Minerals holds 67 percent of the shares of the giant Ok Tedi Copper Mine and 36 percent of the Porgera Gold Mine.

Mining prospects ‘promising’

By PETER ESILA, The National, 25 October 2023

PAPUA New Guinea has more than 120 identified mineral deposits, primarily comprised of copper, nickel, gold and associated metals like silver, cobalt and molybdenum, according to the Kumul Minerals Holdings Limited (KMHL). KMHL managing director Sarimu Kanu said many projects were in the permitting phase with development expected later. They include the Wafi-Golpu Copper-Gold, Frieda River Copper-Gold, Yandera Copper-Gold-Molybdenum, Misima Gold, Woodlark Island Gold and Mt Kare Gold. Kanu said during the PNG-Asia Investment Conference in Hong Kong last week that KMHL had the potential to grow into a globally significant mining company. “KMHL attributable revenue could sustainably exceed US\$2 billion over the next 25 years and beyond,” he said.

“Through the exercise of state equity options, targeted investment in development projects, and construction of downstream processing facilities, KMHL is constructing a diversified portfolio of assets. “KMHL is seeking to ensure the orderly, responsible and sustainable development of PNG’s mineral resources.” Kanu said PNG was host to several world class mines in terms of production and operating cost performance. They included the Ok Tedi Copper-Gold Mine, Porgera Gold Mine (New Porgera Limited comprising of Barrick Gold, Zijin Mining and KMHL), Ramu Nickel-Cobalt Mine (Metallurgical Corporation of China (MCC), Lihir Gold Mine (Newcrest Mining), Simberi Gold Mine (St Barbara), Hidden Valley Gold Mine (Harmony Gold).

Kanu said KMHL’s role as the State nominee company for holding shares in Minerals Projects had resulted in the development of a strong portfolio. “KMHL intends to leverage this portfolio to enter into new investments and partnerships across the PNG minerals sector,” he said. “KMHL’s primary assets are Ok Tedi Mining Limited with 67 per cent, New Porgera Ltd (36 per cent). “KMHL are also engaged in negotiations to secure significant holdings in future assets such as – Wafi-Golpu Joint Venture – 20 per cent.”

Bank tips another economic boom

The National, 24 October 2023

THE country is going through the next super cycle of resource project developments, which is good for the economy, says Bank South Pacific Financial Limited (BSP). BSP Corporate Banking general manager Peter Beswick said in Port Moresby yesterday that: “We have seen the outlook as very positive, particularly with the Papua LNG project coming up, and then after that the commencement of P’nyang. “We have seen a very solid 10 years of economic growth in PNG and hopefully with the recommence of Porgera early next year and gold mine reopening will see strong foreign exchange inflows and creation of job in Papua LNG and Porgera reopening. “We have seen the medium term outlook as very positive and we see it as creating a number of opportunities for land-owner companies and PNG companies partnering with engineering, procurement, and construction contractors that will be supporting the Papua LNG project. “We are positive about the long term

growth and employment and other economic opportunities available for our customer base both in business, corporate and SMEs.”

Beswick said talks on the Wafi-Golpu mining project in Morobe’s Bulolo were good news. “Obviously there has been a change in ownership with Newcrest and Newmont coming into the venture and partnering with Harmony Gold,” he said. “We see that as a very strong project and it has got some time to go and that project commence, it is a good medium and long term development opportunity for PNG. “So if you look at these projects, you have got Porgera reopening, Papua LNG commencement next year as per final investment decision and then Wafi-Golpu potentially overlapping in there, then at the end of that you have got P’nyang, these are very strong pipeline of resource projects. We see PNG going through the next super cycle of all these projects coming through. We have the proven capacity in the country in terms of delivering these projects, as we have seen PNG LNG successful in delivering revenue.”

Barrick and govt set up sustainable fund

The National, 24 October 2023

THE Porgera Chamber of Commerce and Industry (PCCI) has applauded Barrick Niugini Limited and the State for the intervention and establishment of the Porgera Sustainable Fund with an initial funding US\$3 million (about K11.13 million) annually for the next 10 years. Chamber president Nickson Pakea said this type of funding had been lacking for over 30 years. “There was no sustainable fund but with Barrick taking over Placer Dome and towards the end of the 30th year came up with the Porgera Sustainable fund initiative,” he said. “In 2019, the Porgera Chamber of Commerce, as a mouth piece for the private sector groups, including PJV (Porgera Joint Venture), came to realise that such an initiative was lacking. “We came up with a programme known as the Smart Business Grant to assist youths and less fortune people after undergoing business skills training with the SME Corporation.”

“But due to the Coronavirus and the mine shutdown in 2020 this halted our programme as well. “I thank Barrick that this initiative was converted to Porgera Sustainable Fund with the blessings from the Government and State negotiations team through Porgera project commencement agreement for the 10-year programme. “This is a milestone initiative.” Pakea said law and order issues would be a thing of the past with the Porgera Sustainable Fund Programme. “So long as the PCCI is on board, we will ensure the youths, men and women who are not engaged with employment that they get contracts with the PJV, they will be given opportunity to engage them in SME agri-businesses,” he said. “We will partner with the SME Corporation and National Development Bank to train them with the basic start your business and provide them start-up capital. “We will provide a one-stop shop for SMEs and MSMEs. “We will make available every opportunity for least fortune people to access through this programme.”

K5 billion revenue for Santos

The National, 24 October 2023

OIL and gas company Santos Limited recorded a revenue of more than US\$1.4 billion (about K5 billion) in the third quarter of 2023. The third quarter production of 23.3 million barrels of oil equivalent (mmbœ) was slightly higher than the prior quarter due to increased crude oil production in the country. Santos managing director and chief executive officer Kevin Gallagher said the underlying business performance, combined with a strong focus on operational excellence, delivered yet another strong quarter. “Free cash flow of US\$1.6 billion (about K5.6 billion) year-to-date positions the company well to deliver shareholder returns, backfill and sustain our existing business,

while also investing in our major projects and progressing our decarbonisation plans,” he said.

Santos Managing director and chief executive officer Kevin Gallagher



“Over the last quarter, Santos completed the First Nations underwater cultural heritage assessment required prior to pipe-laying at Barossa. “In response to the general direction issued by the regulator, the independent expert concluded after extensive research and interviews that there were no specific underwater cultural heritage places along the planned Barossa pipeline route that may be affected by the activities covered by the pipeline environmental plan.” Bayu-Undan continuing to produce with at least one more LNG cargo expected, followed by sales into the Australian domestic market until end of field life. Free cash flow from operations was around US\$470 million (about K1.7 bilion) in the third quarter and US\$1.6 billion (about K5.9 billion) year to date. “We were also pleased to see further positive momentum for our Bayu-Undan CCS project with legislation to implement the London Protocol’s cross-border provisions for CO2 transport and storage,” Gallagher added.

Governor: Consider smaller mines

By Lawrence Mamadeni, Post-Courier, 23 October 2023

Milne Bay Province has the potential to contribute K30 billion kina in revenue for Papua New Guinea. That’s from Milne Bay Governor, Gordon Wesley. “We are all aware the Marape-Rosso government is busy focusing on the restart of Porgera and Wafi Gold projects...but my province also has gold that are shovel ready, particularly the Woodlark and Misima gold projects,” he said. These two projects combined has a total mineral resource of more than six (6) million ounces and with the current gold price can fetch more than K30 billion. At present, Geopacific Resources Limited, current holder of mining lease 508 on Woodlark Island is stranded and is unable to move the projects to development or construction stage. Since the granting of the Mining Lease 508 in 2014 for the Woodlark gold project, the licence has since changed hands from Kula Gold to Geopacific Resources Limited.

“It’s almost 10 years that my people continue to wait to benefit from this project and I am very concerned if the government will entertain Geopacific for another extension on the mining lease when its lease lapses in June 2024,” Governor Wesley said. He said there is a potential opportunity to build a standalone project by combining both Misima and Woodlark gold projects. Currently, Geopacific Recourses Limited share price in at \$A0.016 cents and a cash balance less than \$A4 million as per half year report. We are in October, the cash will be further depleted. “As a responsible

government, rather wait or pray for a miracle, we should step in and get our very own mineral entity and bring some joy to our people and much needed revenue to the government coffers,” he said. “My province wants to contribute and the time is now for the government to consider smaller mining projects like Woodlark and Misima to partner with my provincial government and my landowners, to perhaps invite Kumul Minerals Holding Limited to deal with minerals in the country.”

Landowners demand Barrick to stop compo exercise

Post-Courier, 20 October 2023

The Lease for Mining Purpose (LMP) landowners of the new Porgera mining lease are demanding the developer Barrick Niugini to stop conducting the compensation agreement exercise until after the development forum. The call is being supported by Dr Sam Yockopua, who is the part of the State negotiating team involved in the new Porgera deal. In an urgent press conference in Port Moresby yesterday, Deputy Chairman of the LMP landowners, Joe Kuala and his executives including treasurer Jeff Tindiwi and members of the LMP have expressed dismay over the conduct of the developer in fast tracking the exercise without due notice. Mr Kuala said while they want the reopening of the Porgera mine to go ahead, they call on Barrick not to fast track the process but exercise restraint and allow other outstanding issues to be addressed properly before such exercise can be carried out.

“Yes it is part of the developer’s responsibility under the Mining Act to roll out the compensation agreement but that exercise should wait until and when we are ready. It is a crucial process that warrants our input and we cannot be left out,” Mr Kuala said. He said most of the LMP executives and members were still in Port Moresby and they were not made aware of the compensation agreement exercise which Barrick was currently conducting. “We demand Barrick to stop this exercise immediately to allow all members of the Special Mining Lease (SML) landowners and LMP as well as other stakeholders to be prepared before this exercise is conducted.

“And this must be done after the development forum when all outstanding issues are ironed out,” Mr Kuala said. He said LMP comprised 69 agents who were validated and recognised through the government process and they all must participate in this very important exercise. “While we were busy working on the draft negotiation paper, all of a sudden this exercise is being carried out without proper dialogue and cutting off the leadership body that has been created by the government. “This act alone is attacking the very process and the flaws that we want to correct in this new Porgera deal. It is hijacking our rights to properly participate in this compensation agreement exercise in Porgera,” Mr Kuala said. He said they will seek legal advice to stop the exercise if Barrick failed to adhere to their demand.

K10 million made from alluvial gold mine earning annually

Frank Rai, Miriam Zarriga, Post-Courier, 20 October 2023

More than 10 to 15 kilograms of alluvial gold are alleged to be illegally smuggled out of PNG to Asian markets every week by a purported gold smuggling syndicate operating in the country. Local PNG owned alluvial gold exporters have raised the alarm after a year of their own investigations when they started losing customers. Police have been contacted by the exporters in the provinces they operate, however, no one has been arrested or detained so far. Police authorities in Lae and Port Moresby have been informed and complaints have also been raised with relevant government authorities to investigate and crack down the syndicate. According to the local exporters, a market value of K10 million is being illegally smuggled from Port Moresby to Hong Kong on commercial flights every week.

However, Air Niugini Acting CEO Gary Seddon said he is certain that anyone exporting alluvial gold, regardless of quantity, requires a license- and that goes for any flight. The market value of K10 million is from a K640 million that is made from alluvial gold mine earnings annually, according to Mineral Resource Authority acting managing director Jerry Garry. Earlier this year in Parliament, Bulolo MP Sam Basil Jr also raised the alarm when he queried why Landowners' rights were overlooked and not prioritised and urged the Mining Minister Sir Ano Pala to clarify why locals are not being protected. "This is in regard to the need to amend the Mining Act of 1992, particularly relating to the protection of landowner rights, especially in the sector of alluvial mining.

If the mining department has not started work on amending the Mining Act yet, does it have any plans to push for an alluvial mining act that will protect Landowner rights over other citizens?" Mr Basil Jr said. According to information received the gold are being bought from local alluvial gold buyers with black market price throughout the country, including Morobe, Autonomous Region of Bougainville, Western Province, Enga and NCD. The districts targeted by the syndicate are Wau, Bulolo, Lae, Buka, OK Tedi, Porgera, and Port Moresby. It is alleged that foreigners of Asian origin operating retail, supermarket and wholesale shops in these areas are buying gold from local PNG alluvial gold buyers. "These Asians in the country are (allegedly) operating illegally without proper Gold Exporting License from Central Bank (Bank of PNG). They are operating under the guise of doing other businesses and illegally tapping into buying gold," the exporters said.

"The Question is, how are the gold getting pass airport security, PNG Customs and Immigration, and other government agencies? This people have an underground network at the airport, probably collaborating or bribing officers at scanning, customs, immigration and NAC ground staff to smuggle gold. This is one of the factors contributing to FOREX (Foreign Exchange) crises," one of the local gold exporter said. However, National Airport Corporation (NAC) and PNG Customs Services maintained that security protocols at Jackson's International Airport were intact and denied the report. Local operators said smuggling of gold has contributed to the decline in the country's economy with Foreign Exchange crises, decline in Foreign Currency inflow leading to depreciation in Kina. "Depreciation in kina leads to Imported Inflation in the country. Inflation is killing our Economy. Taxes are exempted when gold is illegally smuggled out of the country. Also local SME operators in the gold exporting business are losing business and laying off staff. Employment declining," they added. The locals said the National Government through its relevant government agencies need to encourage local gold exporters to buy gold and export instead of Asians and foreigners taking over.

Bougainville limestone project in early phase, says ABG president

The National, 20 October 2023

THE Manetai limestone project is progressing to its next phase as road access clearance and excavating work in the project area paves way for limestone resource drilling in Bougainville. This follows the signing of the land access and compensation agreement (Laca) between the traditional landowners and Lakeville Mines Limited, the project licence holder, earlier this year. Autonomous Region of Bougainville President Ishmael Toroama told the ABG recently that after the signing of the Laca, activities pursued by Lakeville for the project to begin included social mapping and a landowner identification study. Toroama said these activities were undertaken in close collaboration with relevant ABG departments and landowners belonging to Awora, Makiara, Muruan, Dosiana, Bakorin and Barapa. "Land disagreements among the clans make landowner identification and social mapping vital tools for mitigating disputes between clan members," he said. "Lakeville has completed the initial pre-feasibility study which includes both desktop studies and initial on-site assessments of historic facilities."

Agreement to improve data quality in PNGEITI

Post-Courier, 19 October 2023

A three-year technical co-operation between the PNG Extractive Industries Transparency Initiative (PNGEITI) and Japan International Cooperation Agency (JICA) will boost data transparency in the PNG mining and petroleum sectors. This will be made possible with the signing of “Record of Discussion” between PNGEITI stakeholders and JICA experts undertaken in August this year. The Record of Discussion, which forms the basis for the execution of the technical co-operation, was signed in Port Moresby yesterday by John Uware who is acting chairman of the PNGEITI Multi-Stakeholder Group with Matsuoka Hideaki from the JICA side. This signing marks phase two of the JICA/PNGEITI technical co-operation aimed at improving Resource-Related Revenue Management through enhanced EITI reporting.

This second phase will commence in March 2024. The PNGEITI head of National Secretariat Lucas Alkan thanked the government of Japan through JICA for its continued support in the government of PNG’s effort to implement the EITI Global Standard to improve extractive sector governance. He acknowledged JICA for coming on board for the second time to help improve extractive transparency, which is the core mandate of the EITI in the PNG Mining and petroleum space. “PNGEITI is happy that we have signed on the Record of Discussion that was conducted within the month of August by JICA experts,” Mr Alkan said. “The second project will be undertaken by JICA experts to continue building and improving capacity at the Department of Petroleum and Energy from work that was undertaken in phase 1 of the project, and at the same time focus on building capacity at the Auditor General’s Office to improve financial data quality, reliability and timely availability of resource-related data and information for public use.”

He said that the three-year program will basically pick up from where JICA had left off at the Department of Petroleum and Energy when phase 1 of the project ended a year ago and determine ways to improve the quality of the financial data for EITI reporting, and to ensure that more resource-related information is made publicly available for transparency purposes as required by the EITI Global Standard. The project is also intended to assist strengthen capacity at the Auditor General’s Office to ensure that the financial data used in the EITI annual reports are audited and are reliable to improve the quality of these reports. Mr Alkan said the JICA technical co-operation program will specifically focus on building and strengthening capacities at two key government organisations; the Department of Petroleum and Energy and the office of the Auditor General. Addressing weaknesses in data reliability and quality in these two agencies will be important to the work of the PNGEITI Secretariat in its endeavour to addressing the data and information gaps as highlighted through the EITI reporting process.

It was the perfect time, place for conference

By PETER ESILA in Hong Kong, The National, 19 October 2023

PAPUA New Guinea Chamber of Mines and Petroleum president Anthony Smare says holding the PNG-Asia Investment Conference in Hong Kong provided a big opportunity for PNG to invite more Asian investors to the country. “Hong Kong has the best of two worlds – it has the British system, independent, and has a system of rules that we understand,” he said.

“In Hong Kong, there is this vibe and optimism, there is a particular feeling you have when you walk around Hong Kong. “I am delighted that we had the opportunity to meet with the Prime Minister James Marape and the International Trade and Investment Minister to come here. “I also acknowledge all our investors from Asia and other part of the world operating in PNG and the trade

links that we enjoy with Asia. “We have TotalEnergies, ExxonMobil, Swire, MCC and others.” The conference theme is “Partnership for prosperity”.



City Pharmacy Limited founder Sir Mahesh Patel (left) with PNG Chamber of Mines and Petroleum President Anthony Smare during the PNG-Asia Investment Conference in Hong Kong on Monday.



Pacific Trade Investment Office manager Cathy Chen (left) with ExxonMobil PNG Limited’s Melissa Fairi during the conference.

“This conference is long overdue due to our geographical positioning,” Smare said. “Our trade links with Asia go back thousands of years. “Anthropologists have documented migratory patterns of trade and networks of linkages of over 60,000 years between Asia and the inhabitants of New Guinea, “In the early 1800s, with the first European occupation, for settlements of parts of PNG was accompanied by a wave of Asian workers who founded the trade and commerce segment of our country. “They helped developed our country, pre-Independence and post-Independence, through trade, commerce and employment evidenced by over 100 years of association with the PNG Chinese family.” Smare said in more recent times, China had emerged as PNG’s biggest trade partner and the leading source of new investment, with over 20 years of investment, in the mining, infrastructure and logistics and other sectors.

“We have great ingredients for success at this conference. We have a strong agenda, with a mix of operators and investors in PNG. “We have a strong history of investment and trade between Asia and PNG but particularly between China and Hong Kong as the hub of Chinese investment in PNG. “We have every support in Chinese and PNG Government, policies and activities to support this growth, as well as the engagements, policies and activities of other Asian governments to support those links with PNG.”

Motions on misappropriation case refused

By BEVERLY PETER, The National, 19 October 2023

THE National Court has refused notices of motion filed by a lawyer, and three others charged for allegedly misappropriating money belonging to the people of Western. Lawyer Gloria Salika, 39, of Kulakea village in South Fly, Western, executive assistant Tabitha Malken of Jambitanget village in Wosera-Gawi (East Sepik) and directors Boston Kasiman, Edna Oai and Annie Smerewai in their motion sought court's order to issue summonses to certain police officers, Western administrative officers and public prosecutors to provide documents. Their lawyer Edward Sasingian moved the motions before Judge David Cannings at Waigani yesterday saying that they needed certain documents in relation to the arrest of Salika, Malken, Kasiman, Oai, Smerewai and lawyer Greg Sheppard who was also charged with them.

Sheppard, Salika and Malken were charged with one count each of misappropriation of K52 million of which the State alleged was money transferred from the Western People's trust account to Young and William Lawyers while the directors were charged for their involvement in the transaction of the money as well as K216 million belonging to the Western people. Sasingian said he needed those documents to rely on in their trial. He said the court needed to grant the orders for them to issue summons to the Police Commissioner and police force's finance director to provide documents such as bank statements in relation to the investigation and arrest and documents containing the complaints of North Fly MP James Donald against Sheppard, Salika and the four others. This was because they claimed that the investigation and the police operation on the case was funded by the OK Tedi Mining Limited and not the police. "According to the law, the police force must be independent from external influences," Sasingian said.

They also sought for correspondence of communication between parties in conducting the investigations. Sasingian said they further sought to summon two lawyers from the Office of the Public Prosecutor and from the Western provincial administration to provide certain documents as well. Sheppard through his lawyer took no stand in the application. State prosecutor Helen Roalakona objected to the motions saying that the documents being sought by the defence were irrelevant to the case. "They already have the necessary documents they need and if they want, they can also do cross-examinations in the trial," Roalakona said. Cannings agreed saying the summons sought were not necessary to the trial. "Such application should have been made earlier so that the State may be given enough time to respond properly and to file necessary documents. "The trial has to be fair and fair for both the State and the accused persons," he said. He added that therefore, all the orders sought were refused and matter set to Nov 3 for mention.

Porgera goldmine opening delayed again

Don Wiseman, RNZ Pacific Senior Journalist, Radio New Zealand, 18 October 2023

Papua New Guinea's acting prime minister John Rosso says the critically important Porgera goldmine in Enga Province is now due to open in the new year. There had been hopes it would open last month but various factors have caused delays. Rosso said the recent signing of the special mining lease for the New Porgera Ltd has cleared the way for Barrick Gold and its partner Zijin Corporation to restart, after a three-year stall over lease negotiations. Rosso admits the law and order issues around the mine site remain a serious matter. "But we have got the police commissioner and the police attending to it," he said. "We have set up the new Kumul Force that will basically be attending to a lot of the issues surrounding project protection and things including Porgera. We will be beefing up police and soldiers up in Porgera and also ensuring that the safety of the citizens there and the mine workers are protected".



Aerial view of the Porgera gold mine. Photo: Zijin Mining

PNG Business News reports that the chief executive of Barrick, Mark Bristow, has said that subject to agreement on compensation, the mine was positioned to restart before the end of this year. He said recruitment was being accelerated to employ the full workforce that will be required for when the mine starts ramping up operations as soon as those agreements are in place. "It's been a long road, but the end is now in sight," Bristow said. "Negotiations between Barrick, the government and the other stakeholders required patience and persistence but the spirit of partnership in which they were conducted eventually led to an outcome acceptable to all. "Barrick's commitment to partnership with its host countries is also reflected in NPL's ownership structure, which ensures the equitable sharing of the value created by Porgera with all stakeholders," he said.

ExxonMobil sees PNG as good investment destination

The National, 17 October 2023

EXXONMOBIL PNG Limited chairman and managing director Tera Sandro has told investors that Papua New Guinea is a vibrant investment destination. She told those attending the PNG-Asia Investment Conference in Hong Kong yesterday that this was proven by the development of the first US\$19 billion PNG LNG project. She said for a global company to be in PNG since 2009 showed that the Government-business relation was on track. "Our largest LNG buyers are all in Asia, Japan, China and Taiwan," Sandro said. "And through their support, PNG has earned its reputation as a trusted and reliable global energy supplier.

"When you invest in PNG, you are not just making your business transactions. You're cementing that partnership that promotes mutual benefits. "From the moment the gas agreement was signed, the PNG government has delivered on the fiscal regime, and legal framework by which the project is regulated. "We commend the State for doing what's best for the people but at the same time, ensuring that greater return to support the economic viability, and competitiveness." Sandro said benefits to the State since the start of production in 2014 up to June this year included:

- K8.9 billion distributions to Kumul Petroleum;
- K9.5 billion as tax;
- K1.7 billion distributions to the Mineral Resources Development Company (landowners);
- K1.2 billion royalty; and,
- K1 billion Development levy.

“We commend the State for doing what’s best for the people but at the same time, ensuring that greater return to support the economic competitiveness,” she said.

Govt, miner look into downstream processing

The National, 17 October 2023

Prime Minister James Marape has invited the Metallurgical Corporation of China (MCC), which is the developer of the Ramu Nickel/Cobalt project in Madang, to seriously look at partnering with the Government in its downstream processing efforts. According to a statement, MCC has responded that it would give serious consideration in its expansion plans for PNG. Marape, in his meeting yesterday with MCC chairman Chen Jiangguang, made the invitation while urging the company to expand into downstream processing, citing the immense size of the Ramu Nickel/Cobalt Project. The prime minister also invited the MCC to move into other resource sectors, including Clean Energy. Marape informed the Chairman that Papua New Guinea already has good government-to-government and people-to-people relationships with China, ensuring government support for MCC’s expansion investment in the country, specifically in the area of downstream processing.

Marape also thanked MCC for their platinum sponsorship of the inaugural PNG-Asia Investment Conference, and invited the chairman to visit PNG in order to witness first hand the operation of the Ramu Nickel project. Chen Jiangguang thanked Marape for the government’s continued support of the project, saying their success would not have been possible without the support of the government. He told Marape that the MCC Ramu Nickel/Cobalt Project contributes to two-thirds of MCC’s revenue and is their biggest investment outside of China. He said, the MCC would seriously look at downstream processing in their expansion plans for investment in PNG. Chen also assured Marape that MCC would contribute to the development of the country by creating more jobs for Papua New

Mineral Resource Enga presents position paper

Post-Courier, 16 October 2023

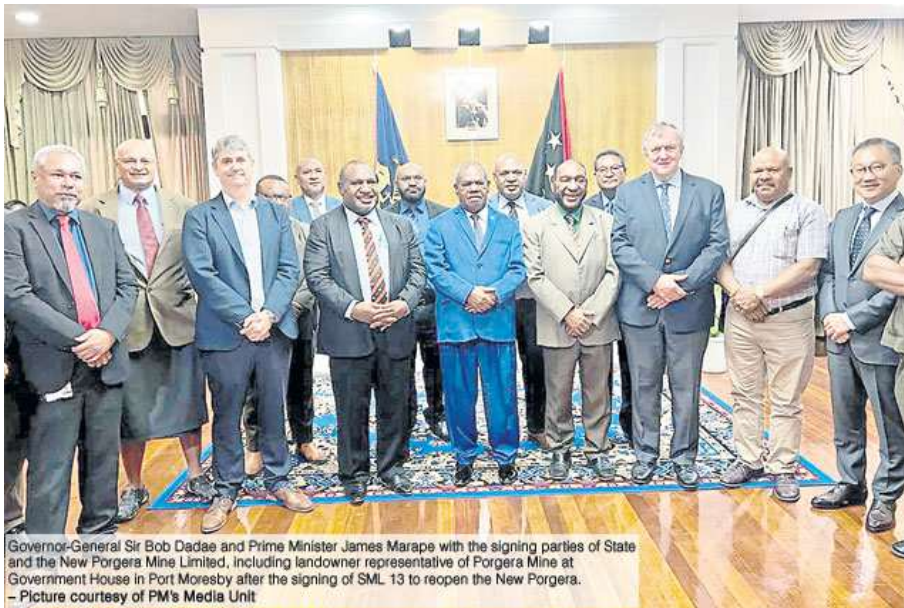
Mineral Resources Enga (MRE) on Friday October 13 2023, presented its position paper relating to the New Porgera Mine Community Development Agreement (CDA). MRE Chairman Kurubu Ipara, accompanied by directors Nixon Mangape and Mark Yakka, presented the position paper to Mining Minister Hon Sir Ano Pala at the Mining Haus. The presentation was witnessed by the Acting Managing Director of the Mineral Resources Authority (MRA) Jerry Garry, officials from the Mineral Resources Development Company (MRDC) Limited, MRA and the Minister’s office representatives. Mr Ipara said the purpose of their position paper was to formally state the MRE’s position on various key issues relating to the New Porgera Mine project CDA. He said given that the MRE did not participate in the Porgera Project Commencement Agreement (PPCA), the Development Forum and the CDA processes were ideal opportunities to present the company’s position. Key issues presented in the paper which MRE has taken specific positions on are:

- 1. Project equity
- 2. Board representation
- 3. Step-in-rights/Buyout of PJI equity
- 4. Future assignment of MRE equity
- 5. Stamp Duty Exemption
- 6. Porgera Sustainable Development
- 7. Fund Resettlement Fund; and
- 8. Production Sharing Joint Venture

Sir Ano said when receiving the position paper, that it had been his intention to have all stakeholders including MRE, to present their position papers. He said he was happy that the process had ended successfully as the MRE's presentation was expected to be the last paper. Sir Ano said he was impressed with the manner in which the aspirations of the MRE had been captured in the paper, adding that the state team would incorporate their position into the matrix that had been formulated.

Signing of SML13 welcomed

The National, 16 October 2023



ENGA Governor Sir Peter Ipatas has welcomed the signing of the Special Mining Lease 13 (SML13) agreement allowing the New Porgera mine to open, calling it an “answered prayer”. “I want to commend the Government, the State Negotiation Team, the representative of Barrick Niugini Ltd, and landowners in Porgera, for ensuring that we can have the New Porgera mine open,” he said. He thanked all parties for their efforts to finally arrive at a conclusion where PNG and the people of Enga are recognised properly in the SML13. “I have been involved in this process and I have seen the tireless efforts of all parties,” he said. “We argued sometimes and other times we agreed on common grounds. (It) was for the good of our people and the economy.”

Sir Peter said Barrick Ltd and Mark Bristow had been in our country for a long time, seen the progress and the struggles of our people”. “I thank them because for the first time, an agreement recognising the indigenous people of the land was achieved under the leadership of Bristow,” Sir Peter said. The Porgera Chamber of Commerce and Industry also thanked the State for granting the SML13 licence. Chamber president Nickson Pakea said it was good news to the business community and people of Porgera after their “long struggle”. “Even today, all basic services are closed – health and education, banks and businesses (after) the mine closed,” he said. “This is a welcome news to us. Now the license is with the New Porgera Ltd, paving the way for reopening of the mine. “The last process is the compensation agreement. “I encourage New Porgera Ltd to fast track the consultation meetings.”

Porgera mine set to open

By NATHAN WOTI, The National, 16 October 2023



From left: Enga Governor Sir Peter Ipatas, Kandep MP Don Polye, Prime Minister James Marape and chief landowner Nixon Mangape, after the signing at Government House. – Nationalpic by NICKY BERNARD

THE final process towards the reopening of Porgera Mine was signed off between the Government and New Porgera Mine Limited on Friday. The parties signed the Special Mining Lease 13, the Mine Development contract, the fiscal Stability Agreement, and the Special Escrow Facility Agreement. Prime Minister James Marape has hailed the signing as a “giant leap” towards the reopening of the Porgera gold mine in Enga. Operated by New Porgera Ltd, a company with a 51 percent ownership by Papua New Guinea stakeholders and 49 percent by Barrick, the signing event took place at Government House, witnessed by Governor-General Sir Bob Dadae, Prime Minister Marape, Barrick Gold Corporation President and chief Mark Bristow, company representatives, Enga Governor Sir Peter Ipatas, Ministers and MPs, Porgera landowner representatives, members of the State Negotiating Team, and others. PM Marape said: “The mine is expected to commence operations before the end of the year, with full production anticipated within six months, contingent upon the finalisation of compensation agreements for landowners.” The New Porgera Mine conditions agreed by both the state and the mine developer Barrick New Guinea Ltd were:

- STATE and its stakeholder to acquire 51 per cent; which include landowners (10 per cent);
- ENGA Government (5 per cent)
- BARRICK New Guinea Limited and stakeholder 49 per cent

Marape said this was one of the best deals the State has pulled off and congratulated the State Negotiation Team led by Chairman Dairo Vele. “This is a moment the country had been waiting for the last three years since negotiations began back in April 24, 2020,” he said. Regarding crucial issues such as the resettlement of Porgera landowners, Prime Minister Marape expressed his gratitude, saying, “We thank everyone for their patience and support. “We believe that what has been secured under SML 13 is in the best interests of everyone, and we look forward to the next 20 years. “It is my view, and the Enga Governor’s view, that this arrangement will lift the living standards of Porgera Valley landowners, Enga Province landowners, and Papua New Guineans.” Bristow, president and CEO of Barrick Gold Corporation, described the day as “special,” with the signing of SML 13 occurring on Friday the 13th.

“It’s a milestone. “We have an exciting voyage ahead of us. The important thing, as the Prime Minister said, is that it’s a real partnership. “We’ve worked hard to get here, and it’s important now to finish the last step, and that is the compensation arrangements for all the landowners. “We want to get that out of the way as quickly as possible. “We believe that we can do that with the help of

everyone.” Marape said: “Today signing of four key instruments in the SML 13, the wide deployment contract, fiscal stability agreement as well as special escrow facility signed contract or agreement signed today to keep the 10 per cent landowner benefits. “All important documents that all parties at the table were able to agree upon and we can, as the head of state, witness this very important signing also.

“This is now a big step towards reopening a Porgera and I want to firstly and foremost appreciate (Barrick New Guinea Ltd Chief Executive Officer) Mark Bristow and his team, from since the SML One was not renewed in April 2020, the mine and the asset we have up there have been in care and maintenance up till today. Care and maintenance is no easy task. Expenditures in millions of kina have been spent,” Marape said. Meanwhile, Barrick CEO Mark Bristow said the first order of business before the people of Porgera could see the “white smoke” was the new compensation agreement with the project landowners. “We want to get that out of the way as quickly as possible, and we believe we can do that with the help of everyone,” he said.

NKW landowners call for review of mine agreement

Post-Courier, 12 October 2023

The landowners of Hidden Valley and Hamata gold deposits in Morobe Province are supporting the Morobe Governor’s and Mining Minister’s call to review the Hidden Valley memorandum of agreement (MOA). A landowner representative said the Hidden Valley MOA was signed in 2005 between the developer, government and the landowners. But the plan to review the agreement after every three years has failed until now. Nauti landowners MOA review committee Mauri Mita claims that Nakuwi (NKW) landowner association, the developer and the government had failed to pay royalties, compensation and community service entitlements to the landowners. “I want to appeal to the Morobe Governor Luther Wenge and the Minister for Mining Sir Ano Pala (pictured) to set up a review committee to lead the process and review the MOA this year.”

He said the review of the mining agreement will change the way the mining benefits are being distributed. Governor Wenge has also been vocal in the past months calling for the government and developers to review the Hidden Valley mine benefits agreement and improve it. Sir Ano responded recently in a Wafi-Golpu stakeholders forum in Lae that they will try to improve the agreement in the review. “When there is a review, we always try to improve. “The benefits agreements and shares depend on the size of the resources. “Definitely the system is well equipped with professional people so we will ensure that the best is negotiated,” Sir Ano said.

Progress in Bougainville push to develop economy

Radio New Zealand, 12 October 2023

A planned major industrial development in the autonomous Papua New Guinea region of Bougainville has made progress. This comes as Bougainville, which is seeking independence from PNG, endeavours to develop a viable economic base. President Ishmael Toroama said the Manetai Limestone Project is moving ahead with access road clearance and grubbing work in the project area paving the way for exploratory drilling. He has told Parliament that the progress came after the signing of the Land Access and Compensation Agreement between the traditional landowners and Lakeville Mines Ltd, the project licence holder, earlier this year. President Toroama said since then Lakeville have undertaken social mapping and a landowner identification study.

Recently a compensation determination exercise involving the landowners and company representatives was undertaken to help them understand the guidelines and rates for compensation for



"The PFS has provided valuable insights into the technical and financial viability of the project," President Toroama said. Following the completion of these preliminary assessments, Lakeville is now progressing into activities that will lead to the commissioning of a full Feasibility Study. A key aspect of this next phase is taking more samples to depth via drilling, which aims to confirm the extent and quality of the limestone resource. A completed Feasibility Study is crucial for project financing purposes. According to the president, the steady progress and positive change in attitude from within the community follows the awareness initiatives carried out mutually by Lakeville, the landowners, and the government.

BOUGAINVILLE President Ishmael Toroama has expressed disappointment at parties who have been misleading the people of Bougainville on the Autonomous Bougainville Government's (ABG) proposals to review the 2015 Bougainville Mining Act. Toroama said when addressing the Bougainville House of Representatives as the ABG Minister for Mineral and Energy Resources. He explained that the selective review of the 2015 Bougainville Mining Act would, as required by law, go through a transparent process which would involve wider stakeholder consultations and will require approvals from the Bougainville Executive Council before any proposed amendments were tabled in Parliament. "I put on record that current work on amendments stem from Panguna Mine Dialogue consultation and have nothing to do with or any links to Caballus proposals of prior years," he said.

“Further, there are absolutely no plans or intentions to amend or remove Section 8 which vests mineral ownership with customary landowners. “And there are also no proposals to replace landowner consent with community government consent.” Toroama said those responsible for fuelling such allegations were acting against the interests of Bougainville and were trying to create an

environment of instability in the region. He warned that his government would be taking a tough stance against foreign elements who were meddling with ABG's affairs by creating distrust, disunity and instability on Bougainville. He urged all to consult with relevant ABG authorities to get firsthand information on latest developments and to refrain from resorting to reactions based on misleading information from those with ulterior motives.

Bougainville govt plans changes to mining act

Don Wiseman, RNZ Pacific Senior Journalist, Radio New Zealand, 12 October 2023



The Panguna copper and gold mine in Bougainville was closed down for operations in 1989 at the start of the civil war. Photo: RNZ / Johnny Blades

The Bougainville government wants changes to the Papua New Guinea's autonomous region's Mining Act. That measure in 2015 gave landowners control of the minerals extricated from six inches below the surface of their land, which was much celebrated by the John Momis government at the time, has faced frequent criticism since being passed. The advocacy group, Jubilee Australia, had said in 2015 that the Mining Act gave with one hand and took away with the other. Later attempts to then change the measure drew complaints and protests from both landowners and potential foreign investors, particularly those eyeing a re-opening of the long closed, but potentially very profitable, Panguna Mine.

Now the government of President Ishmael Toroama said subsequent events have necessitated changes, not least of which is the government becoming the majority owner of shares in Bougainville Copper Ltd, the company that had been operating the Panguna Mine. The government also said there is a need for the Act to reflect that a levy is being placed on all gold leaving the region - a nod to the success of the alluvial gold sector. It also wants the royalty levies it receives to increase, while landowner equity entitlements would also go up. As well, a more sophisticated tender process would be put in place, removing the First Come - First Served provision; the area covered by an exploration licence would be reduced, and fees and rents would be raised, taking into account global standards, inflation and so on.

When the matter came up for debate in the parliament on Tuesday in Buka, local reports said police stopped a planned protest from taking place. Meanwhile in the House, Toroama, who is now also minister of mining, was critical of the groups opposed to the planned changes. He said they are misleading people. The president also told Parliament there would be no change to the provisions on

landowner rights to the minerals on their land, nor are there any plans to replace landowner consent with government consent. He said the government will be taking a tough stance against "foreign elements who are meddling with the government's affairs by creating distrust, disunity and instability on Bougainville".

Bulolo prioritises MoA signing

The National, 11 October 2023

BULOLO's priority is for the district development authority (DDA) to be a signatory to the Wafi-Golpu project's memorandum of agreement to ensure long-term benefits for all, says MP Sam Basil Junior. The district's Mumeng local level government is host to Special Mining Lease 10. Its Yanta and Hengambu clans will be directly affected through the relocation of close to 800 people. There will be further impact on nearby villages during construction and operation. Basil said according to the 2015 DA Act, the Bulolo development authority was the legal entity and service delivery mechanism responsible for its people.

"It also represents the landowners and landholders which are clans, families and individuals excluded from the project negotiations under the Mining Act," he said. Based on past experience with existing mines, the paper said infrastructure development and maintenance, socio-economic and environmental impacts including landowner grievances, were always undertaken and managed by the district on behalf of the local level governments, provincial government, project developers or stakeholders such as the Mineral Resources Authority. Basil said with transparent negotiations, the district was positioned to share its benefits equally with Bulolo, Wau Waria and Menyamya.

OTML hosts meeting for stakeholders

The National, 11 October 2023

OK Tedi Mining Limited (OTML) conducted a two-day meeting with stakeholders over the weekend in a bid to start awareness in lead up to the Community and Mine Continuation Agreement (CMCA) Review slated for early next year. The meeting was attended by more than 100 leaders and representatives from the mine villages, CMCA communities, Fly River government, State agencies, mineral resources CMCA, mineral resources Star Mountain (MRSM), mineral resources development corporation (MRDC), Kumul Mineral Holdings Limited (KMHL) and the Papua New Guinea Sustainable Development Programme (PNGSDP). OTML manager for community relations and sustainability, Jeffery Tom, said that the purpose of the meeting was to provide operational updates to the OTML's stakeholders; communicate key information to mine associated communities in preparations for the CMCA Review that will commence in 2024; stakeholders responsible for managing community business and development interests updating their programmes, performance and work plans; and, to provide a forum for mine villages and CMCA communities through their leaders to raise any issues of concerns and provide feedback to OTML and other stakeholders' performances.

"We want to ensure all our stakeholders are informed of what OTML intends to do prior to the actual CMCA Review consultations commencing in 2024," he said. "The planned CMCA review in 2024 will continue to provide the affected communities free, prior informed consent which underpins the social licence to continue operating while meeting its obligation and corporate social responsibility." OTML's current Social Licence was signed in 2012/2013 for the Life of Mine (LOM) up to 2025. The extension bid is for the LOM to be extended to 2033, an additional eight years from 2026. The Mine Life Extension beyond 2033 was approved in principle by the OTML board last month but the proposed extension was only to 2033. Furthermore, general manager, social

performance and sustainability Jesse Pile said that OTML had restructured the company to align with its new vision, “to deliver sustainable economic and social benefits to the people of Western and PNG”. “We want to ensure the mine affected communities are able to sustain a better quality of life and wellbeing long after the mines closure, by extending the life of the mine to sustain the benefits in terms of employment, business, dividend, royalty and compensations payments.”

Wafi-Golpu: Position papers presented

By GLORIA BAUAI, The National, 10 October 2023



MOROBE has presented its final position paper on the benefit sharing of the Wafi-Golpu project to the State negotiating team (SNT). In a brief overview, Governor Wenge yesterday highlighted the need to establish a foundation funding resettlement and compensation. Wenge said the provincial government accepted the recommendation and guidance that a Morobe Development Foundation be established to manage the several social development projects, that are designed to be of immediate and direct benefit to the Landowner Stakeholder Group (LSG) at the grassroots level. The MPG submission called for a set sum of 0.5 per cent from the three per cent royalty payment by the Wafi-Golpu Joint Venture be paid direct to the foundation; first payment to be made on grant of SML (front end royalties) based on projected production, and thereafter for the life of the mine project.

The submission also outlined that the optimum mechanism to compensate the impacted landowners was to treat the use and occupation of customary land as a compulsory acquisition. “We refer to the express words of Section 41 of the Mining Act and we submit that on its proper interpretation, it is a compulsory acquisition conferring exclusive use and occupation of the land and ownership of the minerals situated therein,” Wenge said. “Once an agreement in principle is reached on this issue, we will make further submissions on how best a fair value for compensation can be assessed; we welcome any input or assessment structure proposed by the WGJV partners in line with our submissions on a compulsory acquisition.” Huon Gulf MP and Minister for Community Development, Youth and Religion Jason Peter said the plan was to establish a Special Purpose Authority (SPA) to administer all funding and benefits from the mine that would be implemented in his district.

“The SPA will primarily liaise with Wafi-Golpu to ensure all funding and other benefits from the mining project are properly managed and implemented in accordance with the priority needs and with emphasis on improving the lives of impacted ward areas and the people of Huon Gulf,” he said. Bulolo MP Sam Basil presented the district’s position highlighting proper compensation and

relocation, special support grants (SSG) for socio-economic impact projects uplifting the district's standard, an increase in Morobe's royalty and equity share to be disbursed in the province and for employment and technical training, and importantly to review the community development agreement every five years. Mining vice-minister James Donald received papers from the provincial government, Bulolo and Huon Gulf as well as Salamaua and Labuta local level governments, on behalf of the SNT. He said the state team was running concurrent consultations on both Wafi-Golpu and Porgera to get both projects online as soon as possible.

Miner in PNG told it must talk with community, environmentalists

Don Wiseman, RNZ Pacific Senior Journalist, Radio New Zealand, 10 October 2023



Frieda River heading north to join the Sepik River. Photo: Facebook - SEPIK Capital, PNG - Wewak Urban Local Level Government

Environmental activists in a remote part of Papua New Guinea are celebrating, with a proposed copper and gold mine, which they say had ignored them, now forced to consult with them. Project Sepik with the assistance of advocacy group, Jubilee Australia, two years ago complained to an Australian government-sponsored independent body set up to resolve complaints made against multinationals, about plans for the huge mine adjacent to the Frieda River, a tributary of the Sepik River. The Sepik River is the longest, and most significant waterway, in Papua New Guinea, and a vital resource for hundreds of thousands of people.

The project alleged that the Australian based, Chinese owned miner, PanAust had failed to gain the free, prior and informed consent of communities who live along the Sepik River; failed to adequately assess and mitigate environmental risks; and inadequately disclosed key information affecting the communities. The Australian National Contact Point on Responsible Business Conduct, which reports to the OECD, found that the company would need to have prior consent from those communities that would be affected, which could include Project Sepik and Jubilee Australia. The Project Sepik program co-ordinator, Emmanuel Peni, is delighted at the decision.

"Since we started working in 2016 they have belittled us, sidelined us, marginalised our voice and gone out to the media saying that we are misinforming the communities, telling them things that are not true," Emmanuel Peni said. "So it's a question for them to answer but we would be very happy to work with them, to be with them at the time of consultation with every community, every village

along the river." The executive director of Project Sepik, Mary Boni, said the mine is on an earthquake fault line and a principal fear is the tailings dam and what would happen if there was a rupture. Boni said the analysis the company has on this needs to be made public. She said if PanAust is genuine then in the 12 months they have to act the first move they will make should be to release the data on a dam breach. RNZ Pacific has reached out to PanAust for comment.

Philippines eyes legal framework for deep-sea mining

Katrina Domingo, ABS-CBN News, Posted at Oct 09 2023

MANILA — The Philippines is preparing to craft its own legal framework for deep-sea mining in international waters. This is to “increase production” of high-value underwater minerals while limiting the “potential environmental degradation brought about by activities in the seabed,” the Department of Foreign Affairs said on Monday. The Philippines is interested in deep-sea mining to “expand industries to support the needs of the country”, particularly in the field of renewable energy, said DFA acting secretary Charles Jose. “Resources containing cobalt, manganese, copper and rare earth minerals are crucial in the development of batteries... and are reportedly found in abundance on the sea bed and in the ocean floor,” he said during a workshop with the International Seabed Authority (ISA).

“The Philippines is under obligation to take all appropriate steps to ensure that exploration and exploitation activities are appropriately managed in accordance to international standards,” he said. “The potential environmental degradation brought about by activities in the seabed is one of the primary considerations... We are therefore committed to the conservation and sustainable management of the ocean and seabeds,” he added. So far, at least 30 seabed explorations are happening around the world and the ISA hopes to have “rules and regulations for the next phase when mining has to start,” said ISA Secretary General Michael Lodge.

“Without a rules-based order, you run the risk of unilateral action... and you run the risk of environmental degradation,” he said. “We want to make sure we have the highest possible environmental standard... with full transparency,” he said. Untapped minerals in seabeds account for “more than all the remaining terrestrial reserves” as underwater mines are considered as new mining territories, Lodge said. “Every nation must be given the right and opportunity to share in the wealth of the ocean,” he said. “What is important is to have a fundamental unbiased knowledge... to understand how this blue regime can help develop the economy,” he said. The ISA and the DFA are hosting a two-day workshop in Manila to tackle deep-sea-related issues and discuss a possible framework needed to enable the country to participate in ocean mining.

Cepa identifies key result areas under new management

Conservation and Environment Protection Authority acting managing director Jude Tukuliya explains to acting business editor Peter Esila several important issues that were identified and assigned to the acting managing director. Below is a summary of his explanation.

Conservation and Environment Protection Authority (Cepa)

The National, 5 October 2023

Cepa underwent a change in management with a new acting managing director appointed in March this year by the National Executive Council (NEC). Certain key result areas (KRA) were identified and assigned to the new managing director to deliver during his interim tenure. The KRAs include the establishment of the Cepa board, appointment of the environment council and pursuit of the Protected Areas Bill for approval by Parliament. While they became priorities for Cepa in terms of their implementation, environment permitting and other environment regulatory-related issues

become equally important, particularly the investigations into environmental issues associated with the Simberi mine operations, the alleged water pollution and fish death in the Sepik River, and the transferring of the Environment Permit to New Porgera Limited.

The Ceba operated without a board since its inception in 2014.

It resulted in micromanagement, mismanagement and poor governance of Ceba operators and implementations of its key mandates and government priorities. Progress has been made in the past three months to establish the board which will comprise ex-officio members — Ceba managing director, department secretaries of National Planning and Monitoring, provincial and local level government affairs and Treasury — and three non-ex-officio members nominated by the Business Council of PNG one of which should be a registered public accountant under the Accountants Act 1996, and one should be a person of good character and standing in the community. Potential candidates of non-ex-officio members have been identified. Ceba is awaiting the recommendation of the Business Council of PNG for the nominations of the three non-ex-officio members before the submission for application is presented to the NEC for approval.

Environment Council

This council is important in scrutinising environment impact assessments and statements from proponents. It is responsible for advising the environment director (who is also the Ceba managing director) on the issuance of environment permits. The term of the council as per the Environment Act 2000 is for three years. The term of the last council expired in 2022. Nominees were proposed for NEC endorsement. The NEC had directed the State Solicitor's clearance on the selection of these nominees. The NEC then approved the members of the council.

Protected Areas Bill

After the passage of the Protected Areas Policy in 2014, the Protected Areas Bill was drafted and put through a rigorous process before being finally approved by the NEC in May 2023. The First Legislative Counsel was directed to prepare it for Parliament's deliberation and approval. The draft Bill will be sent to Ceba for its final review, and then a certificate of compliance will be issued before the relevant minister tables it in Parliament.

Simberi mine operations investigation

Following complaints of environment damage lodged by the landowners and other aggrieved stakeholders, Ceba concluded an independent investigation into the Simberi mine operations with technical consultants from the University of PNG. The purpose was to verify claims by landowners and filter direct and induced impacts as a result of mining from impacts caused by other processes such as climate change and land-use activities. Preliminary findings show that St Barbara operates an open pit mining on Simberi Island. The Detoxification Plant on site was damaged and has not been operating for almost a decade now. It has several deep-sea dump sites where all mine wastes are dumped. It owns and operates pipelines underwater on the island. The investigation team conducted water quality tests and an analysis of mine-derived trace metals, sediment analysis of mine-derived trace metals, and biota analysis and health status of the marine environment. The samples collected are being tested and analysed by national and international laboratory experts. The investigation report is being prepared and once completed will be shared with key partners and stakeholders. Basing on the report, Ceba shall take appropriate actions in compliance with the Environment Act (Amended) 2014 and Ceba Act 2014.

Water contamination at East Sepik's Kaminimbit village

Following reports of skin infection developed by animals and people in East Sepik's Kaminimbit village allegedly from drinking and using contaminated water from the Sepik River, Ceba conducted investigations at the invitation of the Ministry of Forestry. The investigation report will be shared with relevant stakeholders once it is completed.

Angore site inspection report

After it was revealed that a mountain of bubbles was covering a creek in Angore, Cepa officers were sent to carry out an inspection. Once their report is completed, it will be shared with relevant stakeholders, and the Cepa will take appropriate actions to remedy the situation.

Transfer of Environment Permit to NPL

As per Section 70 of the Environment Act, the holder of the Environment Permit WD – L3 (121) and WE – L3 (1) Barrick Niugini Ltd had submitted a notification of transfer of permit to the Cepa managing director, who in consultation with his technical team, processed the instruments of the transfer and issued environment fee notices for the transfer. Cepa, as the mandated government agency, assessed and vetted the notice of transfer to ensure that all requirements under the Environment Act 2000 and other enabling laws and regulations were complied with. These transferred permits do not carry any amendments, either minor or major. After consultation with the State Solicitor, I as the director of environment only approved the transfer with the same terms and conditions. But by virtue of the powers vested on the director of environment under the Act 2000, he also has the powers to call for amendments as and when seen appropriate.

These environment permits are essentially the important management tools the NPL will use, rely on and will seek guidance on to meet the statutory Strickland River system, all the way down to Lake Murray and down to the Fly River Estuary. I appeal to the NPL to not entirely rely upon these EPs but also to comply with other policies guidelines, the Environment Monitoring and Management Plan and best environmental management practices and mining methods available to better monitor and manage the biophysical environment and the river systems. Always strive to make Porgera a better and safe place to work and live in. I would frankly mention here that since the start of mining operations more than 30 years ago, the Department of Environment and Conservation, now Cepa, failed to adhere to its statutory requirements in undertaking a major environmental audit.

Under the Marape-led Government and political leadership provided by the Minister for Environment, Conservation and Climate Change Simo Kilepa, Cepa has drafted an audit plan and waiting for government funding to undertake a major environment audit, this will take place even when the mine is in operation. The findings and recommendations of the major environmental audit will be the bases to determine and resolve the perennial environmental legacy issues that have been outstanding for the last 30 or so years since operation of the mine. These EPs are my eyes and ears on the ground to ensure that the NPL properly manages and looks after the environment and river systems of Porgera for the better wellbeing of the people, and of course the aquatic life forms and the wildlife of the region. I once again beseech NPL not be hesitant to apply any new and/or innovative environment management and migratory methods and technologies outside of the terms and conditions in these EPs to better manage the environment. One example would be the possibility of shifting the compliance point to meet statutory standards at the tailings outlet.

Lihir Gold praises NIP govt for support in resolving issues

The National, 6 October 2023

THE Lihir Gold Limited has praised the role played by the New Ireland administration in resolving issues relating to the landholders and family resettled groups. According to a company statement, the province's involvement had helped its understanding of matters of concerns raised by the landowners. The company and the government have been working with stakeholders to resolve issues relating to a memorandum of understanding signed on Dec 21, 2020. Of the 176 issues tabled for discussion, only 109 were resolved. Most of them were aligned to the agreement(s) to be considered, implemented, and reported back through state-endorsed reporting mechanisms. Of the 18

stakeholder groups engaged in the discussions, nine were tenement landholders, four were family resettlement groups and five were community groups.

In 2020, the Tenement Landholders and Relocated Family Groups, completed a review of the compensation, relocation and resettlement, benefits and development arrangements relating to the project. Pursuant to Section 156 of the Mining Act, these agreements were then registered in 2021 with the Mineral Resource Authority (MRA) and the Conservation and Environment Protection Authority (CEPA). The registration followed the completion of a review of the 1995 integrated benefits package agreement, the 2007 revised integrated benefits package agreement and Supplementary Agreements for Tenement Landholders, relocated families, affected area villages and for the Lihir project. MRA is leading the discussions between the stakeholders, including the Government, New Ireland government, Namatanai administration, the Nimamar Local Level Government and the United and Catholic churches. The first round of discussions was held in April, second in July, and the third to be held this month.

Newmont hails PNG's economic potential

The National, 6 October 2023

AS the world's leading gold company, Newmont Corporation recognises Papua New Guinea's significant, untapped economic potential, says president and chief executive officer Tom Palmer. He said Newmont would support and provide citizens the opportunity to invest in and benefit from its operations, projects and social contributions. "We look forward to building strong and mutually beneficial partnerships with the Government and people of PNG to generate lasting shared value and meaningful economic development through the world-class Lihir gold mine and the highly prospective Wafi-Golpu gold and copper project."

This week, the Securities Commission of PNG granted the necessary exemptions and other requested confirmations under PNG capital markets law to allow the company to proceed with its proposed acquisition of Newcrest Mining Limited. Palmer said Newmont had taken steps to establish a dedicated business unit in PNG with the appointment of Alwyn Pretorius who would assume the role of managing director and be based in Port Moresby. "Newmont also plans to establish a secondary listing of Newmont stock depositary interests on the PNGX from closing of the transaction," he said. "On May 14, 2023, Newmont announced its buying out of Newcrest."

Oslo will Tiefseebergbau erlauben: Wie tief will Norwegen noch sinken?

Norwegens Regierung plant die Freigabe des Tiefseebergbaus vor seinen Küsten. Umwelt- und Meeresschutzinitiativen protestieren.

Reinhard Wolff, taz, 4. Oktober 2023

STOCKHOLM *taz* | In mehreren norwegischen Orten, darunter vor dem Storting in Oslo, in dem das Parlament an diesem Tag seine Herbstsession begann, sowie vor den norwegischen diplomatischen Vertretungen in 19 Ländern, unter anderem in Berlin, fanden am Montag Protestaktionen gegen die [Pläne der norwegischen Regierung zur Aufnahme von Tiefseebergbauaktivitäten](#) statt. Vom Nordatlantik bis zur Arktisinsel Spitzbergen in der Barentssee will Oslo ein Gebiet von 282.000 Quadratkilometern des Festlandsockels – vergleichsweise drei Viertel der Fläche Deutschlands – für die „Gewinnung von Mineralien auf dem Meeresboden“ freigeben. Kupfer, Nickel, Kobalt und andere Mineralien wie seltene Erden sollen abgebaut und das Land so „weltweit führend im fakten- und wissensbasierten Management von Meeresbodenmineralien“ werden, wie es [in einem Weißbuch der norwegischen Regierung](#) heißt.

In einem [gemeinsamen offenen Brief](#) fordern jetzt über 30 Umwelt- und Meeresschutzorganisationen, darunter Greenpeace, WWF und die Deepsea Conservation Coalition den norwegischen Regierungschef Jonas Gahr Støre auf, diese „alarmierenden Pläne“ zu stoppen. Diese seien angesichts der Tatsache, „dass bis zu 10 Millionen Arten in der Tiefsee leben könnten, von denen die meisten noch entdeckt werden müssen“, und speziell „die hohe Arktis ein Lebensraum von internationaler Bedeutung ist und wichtige Meeresarten beherbergt“, nicht zu verantworten.



Proteste gegen Norwegens Tiefseebergbaupläne in Mexiko: Greenpeace warnt vor irreparable Schäden Foto: Greenpeace Mexico

Weniger als ein Prozent wurde bisher kartiert

Oslo wird daran erinnert, dass der [UN-Hochkommissar für Menschenrechte vor den Risiken „systemischer Schäden“ und den Folgen für die Lebensgrundlagen, die von diesen Ökosystemen abhängen, gewarnt hat](#) und Meereswissenschaftler den irreversiblen Verlust der biologischen Vielfalt und das [Risiko einer Störung des Kohlenstoffkreislaufs in den Tiefseeökosystemen befürchten](#). Konkret ist bislang weniger als ein Prozent der Fläche, die Norwegen für den kommerziellen Tiefseebergbau freigeben will, von ForscherInnen kartiert worden. Norwegens Regierung und Parlament, wo jetzt das weitere Vorgehen diskutiert und die endgültige Entscheidung über die Tiefseebergbaupläne fallen soll, wissen daher praktisch nichts über die Ökosysteme, die man dem industriellen Mineralienabbau öffnen will. „Unser Wissen ist völlig lückenhaft und trotzdem wollen wir große Bereiche des Meeresbodens zerstören und die Lebewesen dort töten“, wundert sich Lise Øvreås, Professorin für Marine Mikrobiologie an der Universität Bergen: „Die Meeresböden haben Tausende von Jahren gebraucht, um sich zu bilden. Schäden würden in ähnlichen Zeiträumen irreparabel sein.“

Auch Firmen beteiligen sich am Protest

Die an der Protestaktion beteiligten Organisationen weisen darauf hin, dass sie mit ihren Bedenken keineswegs allein stehen. So hätten sich bereits rund zwei Dutzend Länder, darunter Deutschland, Frankreich, Spanien und Norwegens Nachbarn Schweden und Finnland für ein Verbot oder zumindest ein Moratorium für entsprechende Aktivitäten ausgesprochen. Firmen wie Samsung, Volvo, Scania, BMW oder der E-Autobatteriehersteller Northvolt haben sich verpflichtet, in ihren Produkten keine durch Tiefseebergbau gewonnene Mineralien verwenden zu wollen. Oslos Argument, dass die Welt diese Mineralien dringend für die „green transition“ brauche, sei nur vorgeschoben, wird der Regierung von Gahr Støre vorgeworfen.

„Das Narrativ, dass der Tiefseebergbau für die Erreichung unserer Klimaziele unerlässlich und damit eine umweltfreundliche Technologie sei, ist irreführend“, erklärte Michael Norton, Direktor des Umweltprogramms des European Academies Science Advisory Council (EASAC), einem Zusammenschluss nationaler Wissenschaftsakademien von EU-Mitgliedsstaaten, in einem [Aufruf](#): „Der Tiefseebergbau würde nicht viele der kritischen Materialien liefern, die für den grünen Wandel und andere Hightech-Sektoren benötigt werden. Darüber hinaus können die Recyclingquoten erheblich

verbessert werden, und zukünftige technologische Innovationen wurden in den Prognosen nicht ausreichend berücksichtigt.“

Wissenschaftler bitten um Innehalten

Eine aktuelle [EASAC-Studie](#) fordert die Politik daher auf, die langfristigen Folgen ihrer Entscheidungen gründlich zu bedenken. „Wir sollten innehalten und nachdenken, anstatt vorschnell eine Entscheidung zu treffen, die wir später bedauern werden“, lautet auch der Appell von Peter Haugan, Direktor des Instituts für Meeresbiologie an der Universität Bergen: „Der Ozean war der Ursprung des Lebens auf der Erde. Bei seiner so großen biologischen Vielfalt wäre es leichtsinnig, in den Tiefseebau einzusteigen und diese für unser Überleben so wichtigen Ökosysteme zu zerstören.“ Norwegen ist Mitglied des [Ocean Panel](#), das sich verpflichtet hat „die Gesundheit unserer Ozeane zu schützen und wiederherzustellen“ und „den Reichtum der Ozeane für künftige Generationen zu sichern“. Jonas Gahr Støre ist Co-Vorsitzender des Gremiums. Sollte Oslo seinen nun eingeleiteten Erschließungsprozess nicht stoppen und ein weltweites Moratorium für den Tiefseebau nicht unterstützen, solle das Land konsequent sein und dieses Panel verlassen, heißt es in dem offenen Brief an Norwegens Regierungschef.

Frieda: Authority prioritises river issues

By PETER ESILA, The National, 4 October 2023



THE Conservation and Environment Protection Authority (Cepa) has concluded all activities in the environment impact statement (EIS) of the Frieda River project, says acting managing director Jude Tukuliya. “Cepa must ensure that all the issues in relation to the Sepik River, the integrity of the integrated storage facility and of course all the unknowns identified during the review processes are assessed and screened properly before the environment council meets for the permitting process,” he said. The Frieda River copper-gold project consists of infrastructure projects, the mine itself, power grid and integrated storage facility. “Cepa has generally completed all the road shows and public consultations in the two project provinces (Sandaun and East Sepik),” he said. “Consultations with the provincial governments have all been completed and we also have received comments and feedbacks from other interested individuals and groups as well.

“The last infrastructure consultations were conducted in July. “The independent peer review teams have in their reports, identified a number of important issues, particularly in terms of the dam’s integrity and the stability. They have requested project proponent PanAust to test the core samples

again in a different testing laboratory in Melbourne and that is still outstanding. “In general, both the East Sepik and Sandaun governments want the Frieda project to go ahead. Even the project’s footprint communities that were consulted do want the projects to progress sooner rather than later. “However, their main concern is in relation to the safety of the Sepik River and the possible collapse of the integrated storage facility. “They recommended that the tailings be transported in a pipeline to Sandaun to an identified bay and allow for DSTP (deep sea tailings placement). The current mine plan is not quite accepted.” Tukuliya said Cepa now needed to collate the reviews comments from the IPR teams and the feedbacks and reports received during the consultation process before presentation to the environment council for the minister’s approval.

Porgera LOs launch new company

Post-Courier, 3 October 2023

The landowners of the new Porgera Gold Mine in Enga Province led by their 25 agents launched their umbrella company and subsidiaries in Lae last Friday. The Ari Group Holdings Limited is owned by the 25 small mining lease clans of New Porgera Mine who are registered shareholders of Ari No.7 Transport, Ari Mining Services, Ari Energy, Ari Construction, Ari Aviation, Ari Catering and Camp Management, Ari Fuel Suppliers and Ari Manpower. The group was created with the focus to build capacity for its landowners who have missed out or lack participation in tender processes to meet the mine operator’s procurement guidelines in the last 30 years. The Ari Group has been established to develop and to build commercial capacity in order to allow the clans of Porgera to fully participate in mine services contracts under the New Porgera, Mr Taro said. “In 1989 when we signed the agreement with the operator, we did not really know what we were getting ourselves into.

“And we did not clearly understand the agreement,” he said. “We never really benefitted from the royalty or equity, for 30 years we never saw the benefit or never gotten a contract. “They told us that we the landowners cannot get contracts because we do not have the capacity or a management in place. “We were locked out from fully profiting from our resources so after 30 years, we are now ready. “We have now launched the Ari Group and our subsidiaries company that will now participate in the new Porgera.” Karl Yalo from Engineering Procurement and Construction Management has been a consultant to establish a bridge between the landowners and the project operators. He said the launch yesterday was about capacity building and working with reputable companies already in the mining service. “This allows the landowners to walk into the procurement process of Barrick Niugini Limited and say ‘we are now ready.’”

Newmont offers investment option

The National, 3 October 2023

PEOPLE in Papua New Guinea will have the option to invest in the world’s largest gold mining company with Newmont’s acquisition of Newcrest Mining Limited, says Newmont Corporation chief development officer Peter Toth. Toth said this at the signing of the memorandum of understanding (MoU) between the PNG Securities Commission (PNGSC) and Canadian mining company Newmont Mining Ltd in Port Moresby yesterday. “The waiver in the MoU states that Newmont would be given a waiver and exemption by the PNG Government to grant Newmont exemptions to continue its merger with Newcrest before it can commit itself to improving PNG’s capital market through its listing on the PNG Stock Exchange (PNGX).” Newmont received an approval from the Independent Consumer and Competition Commission (ICCC) and PNGSC for Newmont to fully acquire the merger between Newcrest and Newmont.

PNGSC the regulator of PNG's capital market's acting chairman Joe Joshua said as the regulator of the PNG capital market the commission's office and the Government welcomed Newmont's acquisition of Newcrest to improve to capital market in the country. International Trade and Investment Minister Richard Maru explained that the Government was happy that after two months of negotiations with all regulatory authorities and the exemption for Newmont had been cleared by Government authorities – PNGCS and ICCC. Maru added that the Government had agreed for the exemption of Newmont being added onto the PNG Stock Exchange (PNGX) until negotiations are complete to finally have Newmont waived and to be listed on the PNG stock exchange before negotiations for the Wafi-Golpu project could be completed. Maru added that the MoU was still in its negotiating stages, so the government was yet to announce the full acquisition of Newcrest by Newmont Corporation.

Porgera gold mine closure, a reckless decision: Tomuriesa

The National, 3 October 2023

DEPUTY Opposition Leader Douglas Tomuriesa has called “reckless” the Government's decision to close the Porgera gold mine in April 2020, saying many had suffered losses because of it. “(Prime Minister) James Marape's decision to cancel the Porgera joint venture mining lease has resulted in 3,527 direct employees being laid off, the closure of hundreds of PNG-owned small-to-medium businesses and lost income to our budget of around K4 billion so far,” he said in a statement. Kiriwina-Goodenough MP Tomuriesa added: “It was a reckless decision made by a leader too interested in the glorification of his ego rather than putting the interests of our country first.” He said a Institute of National Affairs report on the impact of the closure of Porgera stated that an average of K1.08 billion was lost from the PNG economy each year that Porgera had been closed. “That is K4 billion has been lost since April 2020,” Tomuriesa said.

“With our Government doubling debts in just four years, our borrowings are now nearing K60 billion. “We badly needed Porgera to help pay our way out of this mess created by the prime minister and his treasurer.” He added that the statement of clarification issued last week by the state negotiating team chairman “makes it clear that the shot-term pain for long-term gain promised by (Marape) has instead morphed into long-term pain for very little gain”. “The mine is still not opened. But if by some chance it is operating in 2024, four years after closing, and if the reopening costs do not blow out and if gold prices hold high, then revenues will start to be earned by our country in 2034 – 14 years after James Marape suddenly ripped the carpet out from underneath the economy by closing Porgera. “We will again see revenues start to be earned. That is not guaranteed as there are a great number of “what ifs” that could derail the opening and the profitability of the venture.”

New Caledonia - Nickel sector in crisis

Radio New Zealand, 3 October 2023

New Caledonia's nickel industry faces sombre days as one of its three mining sites, Koniambo Nickel, in the Northern province, is threatened by its main shareholder. Glencore intends to stop financing the plant's operations by the end of February 2024 if a "new financing solution" isn't identified by then. The French government's finance ministry recently released an alarming report of New Caledonia's nickel industry, stressing the need for a major reform of the sector for all three plants there. France was ready to finance investments for such reform, but a clear roadmap had to be defined first.

Church leader urges authorities to stop fighting in Enga

The National, 2 October 2023

A CHURCH leader has urged government authorities to do more to stop the fighting in Enga. Auxiliary Bishop of the Wabag Catholic Diocese and Caritas PNG deputy bishop Justin Ain Soongie said in Port Moresby on Friday that the perpetrators had initially requested the Government to intervene but failed to. "When people saw that the government did not step in as requested, they took the law into their own hands," he said. "It was from there that the tribal fights escalated, and properties were destroyed and lives lost." He called on the police "to do their job," criticising the way the government was treating its citizens. "Lives are equal in every social setting," he said. "Whether it be politicians, businessmen or whosoever, every human being is the same and must be treated equally."

He said tribal fights in Enga started with election-related issues. They started in Kompian and then to Wapenamanda. He claimed that some businessmen in Enga supported villagers to fight with other clans by supplying them with guns. "It is like you are telling your own people to go and die," he said. "And you are responsible for all the deaths, destruction and everything that is happening in Enga." He said the Catholic diocese in Enga had conducted trainings and workshops to help people understand the error of their ways. Caritas PNG wants the Government to recommit itself to the preamble of the constitution and reaffirm the importance of the noble traditions and practices of the ancestors, and to condemn all actions and practices which undermine human dignity.

'PNG to be oil and gas producing hub from 2060'

Post-Courier, 2 October 2023

Prime Minister James Marape who returned after the United States-Pacific Leaders' summit in Washington DC yesterday, announced the good news that PNG is tipped as one of the biggest LNG producing counties in the world. The Prime Minister made the revelation after meeting with ExxonMobil and other US companies operating in the country, including Newmont, the new US Company that will come in to take over Lihir Gold mine in the New Ireland Province from Newcrest Mining. Mr Marape said during the meeting with head of ExxonMobil's upstream business on the side of the summit, that they have stepped up exploration over the past two years and have identified some exciting finds through the seismic drilling at a field identified as Wildebeest in the Papanuan Basin, with possible seismic data to be established from a possible P3 or P1 resource.

He said that P3 is a smaller resource with 1.3 tcf and a P1 is a bigger resource with 30 tcf result. (30 tcf is much bigger to conceptualise with the PNG LNG which is at 10.5 tcf). "Therefore, I encourage ExxonMobil and other major companies operating in the country to diversify their operations, not only in mining and petroleum but in fisheries, logging and other downstream processing." Mr Marape said the outcome of the meeting with ExxonMobil executives include that there are exciting times ahead in the oil and gas space, as ExxonMobil will possibly dig the deepest on planet earth to around 5 kilometres drill to test to find 30 tcf of gas.

"If that is confirmed then Papua New Guinea is going to be the biggest oil and gas producing nation in the world from up until 2060 and beyond," he said. "If this is established then this will synchronise the Papua LNG, Pynang LNG and the Wildebeest LNG going forward, so there are greater times ahead for us as a nation going forward," the Prime Minister said. He said his appeal is not just for the major US investor operating here, but for other US investors to come and invest here. "I asked them not to only look at the military and bilateral relationships, but I also ask for major investors come and invest and support our economy," he said. The Prime Minister said among other major discussions at the US-Pacific summit.

Strong production levels in the mining and petroleum space

Post-Courier, 29 September 2023

Most operators, especially in the mining space have announced strong performance this year with higher production levels. With the year fast nearing to a close, most companies are posting their financial results with the common theme of strong production levels. Newcrest Mining Limited, operator of the Lihir mine, in its 2023 financial report announced an overall increase in production of gold and copper rates with two million ounces of gold and 133,000 tonnes of copper during the year. This was despite the impact of an extended weather pattern which produced drought conditions at Lihir in particular. As a result, the company made a statutory and underlying profit of US\$778 million, free cashflow of US\$404 million and fully franked final dividend of US 20 cents per share. According to the K92 mining Inc, operator of the K92 mine in Eastern Highlands second quarter financial results for the year, the miner announced significant positives with a production growing 43 per cent from quarter one 2023 and 18 per cent from quarter two 2023.

The results also included a strong cash costs of US\$597/oz and AISC (All in sustaining cost) of US\$9765/oz, well below the annual guidance range of US\$620-US\$680/oz for cash costs and US\$1,180 to US\$1,300/oz for AISC. St Barbra, operator of the Simberi mine in Niu Ireland, also announced production at the top end of guidance at 360,368 ounces and AISC below the bottom end of guidance at US\$2,443 per ounces across its business. Simberi operations itself archived the upper end guidance with production of 78,320 ounces at an AISC of US\$2,419 per ounces. Quarter four delivered the best production in three years as a result of high grades from the Sorowar pit.

Financial performance across the business saw the miner's record a statutory loss after tax of US\$429 million for the year, including non-cash after tax impairments totaling US\$376 million for its Atlantic operations and US\$74 million for its Simberi operations. In the petroleum space, Santos, half year results showed production level of 45 million barrels of oil equivalent, down 13 per cent, however the PNG LNG recorded strong oil and gas production from improved reliability and field performance. The PNG LNG maintained ongoing steady production with planned maintenance activities and rate reduction. Also, Angore drilling is ongoing with gas expected in 2024. Financial performance saw strong free cashflow US\$1.1 billion and underlying profit of US\$801 million. It is understood the strong results reflects the strength of the disciplined operating model which is designed to ensure the business remains resilient through the oil price cycle.

LOs building capacity to participate in new Porgera

Post-Courier, 28 September 2023

THE Porgera landowners for the past 30 years, under the old Porgera Special Mine Lease (SML), have been royalty and equity collectors and they are now building their capacity to participate meaningfully in the new Porgera. The representatives of the seven landowning groups led by the 25 agents said the last 30 years were missed opportunities for business taken over by outsiders. However, with the new Porgera expected to come into operation, the Special Mine Lease landowners are building their capacity, with the help of reputable business experiences, so they are not only spectators and rent collectors but also direct participants in businesses. The Porgera landowners will launch their new landowner umbrella company, called, the Ari Group Holding Limited in Lae today.

Under the Ari Group are Ari Energy Limited, Ari fuel Service Limited, Ari Aviation limited, Ari No.7 Transport Limited, Ari Construction, Ari manpower limited, and Ari Mining Services. The Directors of Ari Group Limited led by Chairman Sole Taro, Director and Public Officer Wesley Yosia, company secretary and legal counsel Yalo Kapili and Chairman of Porgera Landowners

Association Chairman Tony Mark Ekepa said that with the launching of the landowner company, they want to tell the partners of the new Porgera (Barrick Niugini Limited and Kumul Mineral Holding Limited) that they are ready to directly participate in business. Taro said the Company with the support of experienced international business manager are prepared to participate in the areas of manpower recruitment and management, Fuel services to come straight from Singapore to big tanks in Lae, Energy by engaging in hydropower plans and others.

He said in the past, their submission were often rejected as they did not have the capacity but this time, they are ready and they will not sign the mine development agreement unless they will be given the business opportunities. Mr Taro said the so far the state K150 million Business Development Grant will be used as collateral to buy 60 new Kenworth trucks to be delivered by Boroko Motors. Through the arrangement, the business managers of Ari Group will repay Boroko Motors over time until they total cost of the vehicles and parts are fully paid off over a certain period. An agreement was signed between Ari Group Holding and WR Carpenters last week. Director of Ari Group Holdings and Public Officer Wesley Yosia, and Tony Mark Ekepa also shared the same sentiment that they are ready to submission their proposal to be factored in the Community Development Agreement.

K92 Mining announces K354.6 million senior secured loan

Post-Courier, 28 September 2023

K92 Mining Inc has entered into a loan agreement with Trafigura Pte Ltd, a market leader in the global commodities industry, pursuant to which Trafigura will provide a US\$100 million (About K354.6 million) senior secured loan to K92. In addition, the Papua New Guinea subsidiary of the Company, K92 Mining Limited, and Trafigura have amended and restated the offtake agreement dated July 1, 2019 for the purchase by Trafigura of 100 per cent of K92's copper/gold concentrates produced at the Kainantu Gold Mine in Papua New Guinea ("the Amended Offtake Agreement"). The loan and the amended offtake agreement will only come into effect upon satisfaction of express conditions precedent, including but not limited to (i) the execution and registration of the Security and (ii) regulatory approvals.

These conditions precedent have not as yet been satisfied. K92 expects first drawdown to occur in early to mid-Q4 2023. The loan is at the corporate-level and may be used for general corporate purposes, working capital purposes, and capital expenditures. No hedging is required for the Loan. The loan further strengthens K92's strong financial position, with US\$95.6 million (About K342.8) million and no debt as at June 30, 2023. K92 Chief Executive Officer and Director John Lewins stated that: "We are extremely pleased to be expanding our partnership with Trafigura, with a US\$100 million loan and amended off-take agreement.

Trafigura has been our offtake partner since the start of operations at the Kainantu Gold Mine, and these agreements reinforce our strong relationship with Trafigura. "In combination with K92's already strong cash position of US\$96 million at the end of Q2 2023, the US\$100 million loan effectively fully finances the growth capital outlined in the IDP for both the Stage three DFS and Stage four PEA cases, which transform Kainantu into a Tier 1 producer with run-rate production of 300 koz AuEq and 470 koz AuEq per annum, respectively. "Importantly, the loan enables K92 to more confidently invest and potentially increase exploration activities while completing the major production expansions. "The offtake agreement also secures long-term competitive terms and provides security and confidence in our income from the sale of our concentrate product."

Further drilling within SML, says OTML boss

Post-Courier, 27 September 2023

OK Tedi Mining Limited (OTML) managing director and chief executive officer Kedi Ilimbit says there will be further drilling at the Ok Tedi mine within the current Special Mining Lease (SML) area. This comes after the OTML board approved, in principle, a further mine life extension of the Ok Tedi mine from 2033 to 2050. “The preliminary approval will entail further drilling within the current SML as priority,” Mr Ilimbit said. Last week, OTML released a statement highlighting that its Board had approved in principle a further mine life extension from 2033 to 2050. This marked a significant milestone for OTML, its shareholders and for Papua New Guinea in general, and a sign of the confidence the Board has in the company’s ability to deliver over the next two decades.

The approval was based on the latest Strategic Business Plan submitted by the Executive Leadership Team and discussed during the OTML Board meeting held in Tabubil on September 13, 2023. A few years back, the board in updating its 2021 strategic business plan announced a further extension of the mine life by three years from 2029 to 2032. The three year extension was said to generate K20 billion in free cashflow over 10 years. The recent extension announcement will see the mine generate in excess of K30 billion. This benefit to the country will be in the form of dividends, royalties, compensation payments, and taxes for the benefit of OTML’s shareholders, communities and Papua New Guinea as a whole over the next 27 years.

Additional K30 billion on the cards for Ok Tedi

Post-Courier, 22 September 2023



The Board of Ok Tedi Mining Limited (OTML) has approved in principle a further mine life extension of the Ok Tedi mine from 2033 to 2050 which will see the mine generate in excess K30 billion for the country. The approval is based on the latest Strategic Business Plan submitted by the Executive Leadership Team and discussed during the OTML Board meeting held in Tabubil on 13th September 2023. This extension brings to life OTML’s Vision to operate with excellence, maximising the value of the mineral resource in an environmentally friendly way, to deliver sustainable economic and social benefits to the mine communities and the people of PNG. This marks a significant milestone for OTML, its shareholders and for Papua New Guinea in general and is a sign of the confidence the board has in the company’s ability to deliver over the next two decades.

Several factors have enabled the extension including a strengthened long-term copper price outlook, additional mine waste management solutions such as Engineered Waste Rock Dumps and a Tailings Storage Facility to minimize impact on the environment, renewal of aged processing plant assets and implementation of other strategic projects that are currently in various stages of completion.

Managing director and Chief Executive Officer Kedi Ilimbit said: “The approval by the Board on the eve of PNG’s 48th Independence anniversary is a welcomed gift to the communities in which we operate and who provide us the social license to continue, as well as to the people of PNG.

“The revised mine life will see the company generate in excess of PGK30 Billion in dividends, royalties, compensation payments, and taxes for the benefit of OTML’s shareholders, communities and Papua New Guinea as a whole over the next 27 years.” Jeffrey Innes, Chairman of the OTML Board, shared his optimism about the company’s future, stating; “The latest Strategic Business Plan gives the Board confidence in OTML’s continued operational success. Mr Innes added; “OTML has tripled its value in the last six years and the outlook is a positive one. The mine life extension reaffirms OTML’s commitment to sustainable growth, economic prosperity, and community well-being supported by environmental sustainability, community development and operational excellence.

Enga supports mine reopening

The National, 22 September 2023

ENGA Governor Sir Peter Ipatas says the provincial government and people of Enga support the reopening of the Porgera mine. He condemned the media for depicting Enga as “closed for business.” “The reopening of the mine is crucial for the economy of the country,” he said. “We all know how important it is for the Porgera mine to reopen.” He said the mine must reopen as soon as possible – between the end of this year and early next year. “I understand that we have just held the submission of position papers meeting. “We now have a 51 per cent stake in the mine. “And that is the important thing,” he said.

“The State negotiation team can continue to negotiate on other terms but the mine needs to be reopened for business as soon as possible.” He added that despite tribal fight in Wapenamanda, business was normal in the province and there were no threats to government services. Sir Ipatas urged the mainstream and social media to stop over-exaggerating issues, “making it seem like what has happened in one district would affect the province and the reopening of the mine”. “Enga has a population of about 500,000 people. “What has happened in the past few weeks, which we condemn, did not affect business activities in the province,” he said. “The national highway is free, business has been operating freely and people are looking forward for the reopening of the mine. “It is only bad when the people are posting it on social media and mainstream media covers it.”

Porgera reopening in its final stages, says official

By FRANK SENGE KOLMA, The National, 22 September 2023

It has been a long three-year marathon to re-open the Porgera gold mine but at last the race is entering the final meters, says the acting managing director of the Mineral Resources Authority. Jerry Garry, who has been closely involved in the whole process as regulator, said there remained only a few more clauses in the Mining Development Contract to be ironed out by the parties before the granting of Special Mining License (SML) 13 is put before Cabinet for its approval to restart the mine. Ticking off the process and the negotiations involved since the expiry of SML 1(P) on June 16, 2019, at the actual refusal of its extension application, and cessation of mining, on April 19, 2020, it has been most challenging, he said.

“The challenge has been that this is a new frontier. The State has never refused any active SML before. The challenges of manoeuvring under these new frontier situations became a little bit complex and simply because there is no standard protocol for addressing such a situation. “We all had to navigate through this diligently without compromising the interest of the State. “Despite the odds,

the benefits secured under the New Porgera are much greater than any other mining projects in the country today. “It demonstrates the level of tough negotiations by the State team and the Marape-Rosso Government’s determination to secure much greater benefits for the country.” In all, four agreements have been signed with the Mine Development Contract and the Community Development Agreement is yet to be concluded.

To recount, one year was spent fighting it out in the courts between 2020 and 2021 when Barrick (Niugini) Limited took legal action when its application for renewal of SML 1(P) was turned down. Amid the intense court battles, the ground was applied for by the State’s own mining company, Kumul Minerals Holdings Ltd (KMHL) which was granted SML 11. Following protracted court actions in PNG, the parties agreed to cease legal action by signing the first of the agreements. The Standstill Agreement was signed in February 2021 to cease court actions but the matters, most notably, remain on foot, and parked at the Court registry. A Framework Agreement was signed on April 09, 2021 setting terms for negotiations and dealing with Old Porgera issues. After months of negotiations, a Shareholder’s Agreement was signed on April 7, 2022 which brought to the table for the first time Mineral Resources Enga (MRE), the only PNG shareholder from Old Porgera.

The Shareholder’s Agreement cuts up the equity cake so that Barrick Niugini Ltd has 49 per cent, Kumul Minerals holds 36 per cent and Mineral Resources Enga has increased its stake to 15 per cent. This compares with the old Porgera arrangement where BNL held 95 per cent and MRE held 5 per cent. MRE’s holdings is split equally between Enga Provincial Government and SML landowners of Porgera. These interests are held in a newly registered vehicle company called New Porgera Limited, (NPL) which will own the new Porgera mine. BNL will be the operator of the mine. In early 2023, a Porgera Project Commencement Agreement, (PPCA) was signed setting the parameters, guidelines and milestones required for new Porgera mine permitting, shareholder arrangement, operatorship guidelines and economic benefits sharing arrangements. It was decided in this agreement that principal tenement holding the Porgera mineral assets be treated in the following manner:

- BNL was to surrender its underlying Exploration Licence EL454, which it did.
- SML 11 held by KMHL to be transferred to New Porgera Limited, which it did;
- New Porgera Limited to surrender the SML 11 and apply for a new SML.

A new SML 13 was applied for by NPL did not eventuate until June 2023. This is now being processed. It now requires grant of the SML 13 and the signing of the Mine Development Contract before reopening the mine. Other statutory requirements that have been concluded successfully were the mine warden’s hearing which was concluded on August 31 and September 1 this year in Wabag and Tari, the technical assessment and Mining Advisory Council, Garry said. The other requirement which is not a mandatory requirement for SML grant is Mine Development Forum.

This Forum discusses the benefit sharing arrangements for various parties has also commenced and position papers have been collected in Alotau, Port Moresby, Wabag and Tari. Garry said: “The State team is now assessing all the position papers and extracting the benefit claims into a matrix. The State will assess and call the parties to another round of discussions to finalize a Community Development Agreement. This can continue after the grant of an SML.” “The journey has been challenging, but the New Porgera Limited and await the conclusion of the Mining Development Contract and the grant of SML 13 before it can commence its operation. The Benefits secured are much better than any operating mines except Ok Tedi which wholly owned by the State.”

Report predicts dip in resource sector output

By NATHAN WOTI, The National, 20 September 2023

PAPUA New Guinea's petroleum and gas output is likely to contract, narrowing the current account surplus, as the non-resource sector is projected to lead the way, according to a report. The Asian Development Bank (ADB) outlook report states that the country's resource sector would have competition in the year 2024 and onwards, unlike 2014's boom. It also indicated that the non-resource sector, led by agriculture, forestry and fishing would expand by three per cent, while information and communication would reach eight per cent and trade by 4.5 per cent. "The resource sector, typically the PNG growth engine, is expected to contract by two per cent this year (2023)," the report stated. "The reason is a six per cent drop in the output of petroleum and gas as the PNG LNG project operator envisages production below nameplate capacity.

"This is somewhat offset by seven per cent increase in mining as the Ok Tedi mine accesses high grade ore (deposits)." Meanwhile, the Porgera mine was removed from the forecast because there was no clear indication of start-up operations happening. "In 2024, the resource sector growth will be stagnant as PNG LNG production is expected to remain below its nameplate capacity," the report stated. Recovery would show signs in moderate pace as inflation subsidise toward 2024." It added that supporting the non-resource sector, communication and trade, accommodation, travel, food services, transportation and real estate businesses were likely to benefit from increased international travel, supply chain recovery, and fiscal stimulus through investment spending. The report also mentioned that the foreign exchange issue which the country was facing would most likely continue into 2024, which would weigh down the economy.

Porgera SML submission expected

The National, 20 September 2023

MINING Minister Sir Ano Pala says a submission will be made to Cabinet at the end of this month for the granting of the Special Mining Lease (SML) to reopen the Porgera gold mine. Sir Ano said the plan had been to grant the SML on Sept 16 to coincide with Independence Day however in the weeks leading up to that date, the Mining Advisory Council (MAC) identified some technical issues that the applicant New Porgera Limited (NPL) needed to address. He said the MAC had received a response from NPL. "We want the project to reopen as soon as possible as this be a boost to the country's economy," he said. "However, as a responsible government we must make sure that all regulatory requirements are met, and all laws of the land are abided by." Mineral Resources Authority (MRA) acting managing director Jerry Garry said the agency and other relevant bodies had been conducting two separate but related processes in parallel.

They are the regulatory aspect of the project, and the Community Development Agreement (CDA) initial consultations. Garry said on the regulatory front, which was basically the assessment of the SML application by NPL, the MAC met two weeks ago to deliberate on the application. "This was when they found the issues with the application." Garry said on the CDA front, landowners and stakeholders had submitted their position papers to the State. "A State team is currently going through the position papers to incorporate them into a matrix in preparation for the actual negotiations," he said. The negotiations will begin in about two weeks." Garry said the two parallel processes meant that the SML could be granted ahead of the completion of CDA process invariably seeing the mine start operations once the SML was granted. He said the CDA process would continue post mine reopening.

Deep sea mining 'great opportunity' for Cook Islands - exploration company

Radio New Zealand, 20 September 2023



Moana Minerals Limited, CEO Hans Smit on board the company's research vessel. Photo: Moana Minerals Limited

Deep-sea mining companies in the Cook Islands have been exploring the country's ocean to see if they can extract potato-sized nodules packed full of minerals kilometres deep. Moana Minerals Limited is one of three companies that were awarded a five-year exploration license in the Cook Islands. The license allows the companies to explore the deep sea in the country's exclusive-economic zone (EEZ). Moana Minerals and the other companies are trying to find out if nodules can be removed without causing serious environmental harm - the measure they need to satisfy to be allowed to mine. Chief executive Hans Smit is "fairly confident" his company will get the green light, provided they are assessed on science and not emotion.

"We believe that the ability to mitigate against serious harm, which is the measure that we have to satisfy - based on the knowledge and the understanding we have of these other industries that are existing - we can make a case that it can be done," Smit said. "Having said that, we are also very forthright with regards to understanding the risk. "If something comes up and it's a show stopper, we will stop and walk away. "The investors in this business have all signed and agreed that they may lose all their money; we understand that risk."

Moana Minerals started exploring this year and has carried out three expeditions. The actual mining is still years away - if it happens. Smit said detailed seafloor mapping is being undertaken. So far, he said what has been discovered was in line with assumptions made by scientists. "What we have found is extensive abundance of these nodules," Smit said. "We spent seven hours a day filming the seafloor and we never saw sections without nodules on it; it's that extensive. "We were also seeing the animal life down there, and what we were seeing is there is animal life, but it's fairly sparse."

Concerns about harm

Environment charity Te Ipukarea Society's technical director Kelvin Passfield said useful research has come out of the exploration phase, but he is concerned about the reason it is happening. "It's all about just informing them to start commercial mining. "That's the activity that concerns us more much more than the exploration." Passfield is worried about bias in the decision-making process when it comes to deciding if the companies are allowed to mine. The companies pay for their own environmental research and the Cook Islands government will benefit financially from deep-sea mining, he said. "The question is, what's the threshold for that level of too much damage? Who decides on what's going to be too much damage? "The companies are doing the research to decide this

and yet they've got a vested interest in getting the permission to mine. "So you can be quite sure that their research will not show that the damage will be too great."

Companies will be required to pay a 3 per cent royalty on every tonne of material that is extracted if mining takes place. Smit said the Cook Islands will benefit from jobs created as well as tax. "You end up with an industry that develops around the Cooks which creates skilled jobs that Cook Islanders can fulfil. "There's a great opportunity - rather than kids of today leaving the Cook Islands to go to New Zealand, Australia or elsewhere, to go and pursue careers here on the Cook Islands and still experience the Cook Islands lifestyle." Speaking about a month ago at the University of the South Pacific in Suva, Cook Islands Prime Minister Mark Brown said Covid-19 caused his tourism-dependent country to go from being a "high income status country to a no-income status country". "This is an industry that we are looking at to help diversify our economy, but also to help build economic resilience that we talk about," Brown said.



Cook Islands Prime Minister Mark Brown Photo: RNZ Pacific / Lydia Lewis

Porgera opening a far cry from becoming a reality

BY DALE LUMA, Post-Courier, 18 September 2023

With the country having celebrated its 48th Independence anniversary on Saturday, another promised independence reopening for the multi-billion Porgera gold mine in Enga has yet again gone begging. Government on two separate occasions, has promised the country, businesses houses, and the people of Enga an independence gift in the form of the Porgera mine reopening on September 16, each time falling short. In 2021, Prime Minister James Marape in June, during the handing over of the mines framework agreement following it's signing in April the same year, told the people of Porgera in Paiam that he has no intention of letting the people down and gave the date of September 16. He later on September 17, 2021, expressed his disappointment that the deadline was not reached.

The following year in 2022, saw tentative timelines given with an April target suggested, however, that timeline was changed along the way with the year eventually ending with no mine reopening. This year, Mining Minister Sir Ano Pala, when announcing an end of August target for a mining license for the mine, indicated that there were plans to reopen the mine on September 16 which fell

over the weekend on Saturday with no mine restart happening. Prime Minister Marape, when speaking during the official opening of the New Porgera Mine Development Forum, told the forum that: “Smoke mas kirap lo September tasol.” In July, Prime Minister James Marape had a meeting with Barrick Gold Corporation president Mark Bristow to discuss the status of the matters remaining to be completed.

As a result of that meeting, Mr Marape had welcomed statements by Mr Bristow that Barrick was committed to PNG for the long haul and his pledge that Barrick Niugini Limited, for its part, would do everything under its control to meeting the September 16 re-opening date. However, the September 16 target, let alone the month of September alone for a mine re-start is a far cry as there still remains a number of steps remain before the mine can officially restart, things such as the compensation agreement needs to be agreed with landowners just to name a few. Government has been adamant that their decisions on the Porgera mine has always been in the best interest of the country with the famous comments by the Prime Minister Short term pain, for long term gain.”

Pipeline LOs seek consultation

By JACINTA COHLEE, The National, 18 September 2023

THE pipeline and outflow landowner associations of the Wafi-Golpu mining project have asked the Government for a consultation before the upcoming development forum. The presidents representing the three landowner associations of Wampar (pipeline), Wagang (outflow) and Butibam (pipeline) said the Government had not been giving them enough attention in terms of having a proper dialogue with the people along the Morobe coastline. Wagang (outflow) president Gae Galang said the pipelines and outflow were important for the K18.5 billion mine project. “But there is no recognition from the district, province and the State,” Galang said. “We will also be affected, which the Government has to understand this and not ignore us, the landowners.

“They have to have a consultation with us and let us speak our mind, worries, opinions and suggestions instead of just listening to them.” Butibam (pipeline) president Peter Kesu said that during the recent Wafi-Golpu mine project stakeholders consultative meeting, the landowners were not given a chance to speak. Kesu raised that the Government and the respective authorities involved in the business of the mine project had to clarify where the pipeline and outflow landowners’ stood in the project. Wampar (pipeline) president Abel Amos said the Government could not bulldoze them into the forum without listening to them first. “They have to hear us first,” he said. “Have consultation with us before the development forum.” They stated that if the Government did not respond to them, then they would boycott the development forum.

Ipatas: Give Enga 51 %

Post-Courier, 14 September 2023

Enga Governor Sir Peter Ipatas has called on the Government to transfer the 51 per cent equity to Enga Provincial Government and the Porgera landowners. Sir Peter made the call yesterday during the Final Leg of the New Porgera Mine Development Forum held at the Enga Teachers College outside Wabag. He said Mineral Resource Enga (MRE) was an experienced mining company for Enga Provincial Government and local landowners which has managed a 5 per cent equity for EPG and landowners for the past 30 years. “Our (EPG) position, on behalf of the landowners and the other districts of Enga is to claim the 51 per cent which is currently held by the State. The government has unprecedented track record of selling its 15 per cent share in the previous mine while MRE had managed 2.5 per cent for landowners and 2.5 per cent for the people of Enga in the past 30 years,” Sir Peter said.

“With this track record, you (State) might sell the 51 per cent to anyone and therefore, we are calling for the State to release the 51 per cent to the landowners and the provincial government.” He said the government has set precedence to release 100 per cent ownership of Bougainvillea Copper Mine and Ok Tedi Mine to the people. He said similar precedent should be set for the New Porgera Mine, adding that there are concerns that the State might revert to its track record of selling shares like it did in the previous Porgera Mine. “What is wrong for Enga to have 51 per cent? “The 51 per cent must come back to Enga for the landowners and the provincial government,” Sir Peter said. The governor also warned local landowners to think about the future of their children in the new deal for New Porgera Mine.

ExxonMobil optimistic about PNG potential

The National, 14 September 2023

OIL and Gas multi-national, ExxonMobil, through its Papua New Guinea Liquefied Natural Gas (LNG) projects, has contributed over K22 billion to the State and its landowners through various taxes and royalty streams over the last decade, says a senior executive. ExxonMobil PNG chairman and managing director Tera Shandro said this during the 2023 Petroleum and Energy Conference in Port Moresby yesterday. Shandro said the PNG LNG project experience had provided valuable insight into how the country could unlock its potential as an energy provider. “Operating in Papua New Guinea is a privilege and we aim to unlock this country’s potential,” she said. We are guided by our belief that the benefits associated with resource development should be shared by the people of this country.

“As the single largest business investment in the country, PNG LNG has helped forge a new industry that now directly and indirectly employs thousands of Papua New Guineans. “In the years to come, as the delegated downstream operator of Papua LNG, which is subject to a final investment decision next year, we intend to continue our focus on expanding our national content efforts. “For example, maximising national content in the construction and operation of the pioneer and construction camps at the LNG plant in Caution Bay, Central, is a critical objective for us, as this will lead back to local job creation and skills development. “In addition, since first gas in 2014, PNG LNG has delivered over K22 billion to the State and its landowners through various taxes and royalty streams. Shandro said ExxonMobil credited robust collaboration with all levels of government, landowners, landowner companies, local businesses, and peers for the success of the industry.

“This is achieved through having a strong national content programme underpinned by workforce development, supplier development and strategic community investment which ensures that the company’s presence positively impacts the local.” Furthermore, ExxonMobil senior vice-president Peter Clarke discussed the important role that the LNG and PNG could play in the world’s energy future. Clarke said there was recognition more than ever that natural gas, and in particular LNG, would play a vital role in meeting growing demand for energy, while reducing overall emission to support climate goals. “With proximity to market and high quality resources, PNG is well positioned to continue supporting regional demand, with Asia-Pacific countries set to be core natural gas customers for decades to come,” he said.

Transfer of environment permit seen as an important step

By PETER ESILA, The National, 14 September 2023

THE environment permit of the Porgera mine has been transferred to the New Porgera Limited – an important step before the issuing of the mine development contract and Special Mining Lease. The Environment Permit (EP) transferred was WE-L3 (923) and EP-L3 (923). Prime Minister

James Marape said in Port Moresby yesterday that “we will look at a sustainability facility for the life of the mine”. “That will come not from the 3 per cent royalties and 15 per cent equity,” he said. Marape said that in every resource project in the country, there would still be environment impact, which should be kept at a minimum. “There will be environmental risks on our side. There will still be environmental issues.” He said the transfer of the environment permit was a big step towards mine development contract and the special mining lease issuing.

He told New Porgera Limited that “when you operate, the care of the environment must be considerate”. He said all progress was being made towards reopening of the mine. Environment, Conservation, and Climate Change Minister Simo Kilepa said the concerns of communities down the river affected by mine waste “will be looked into by the State team in the weeks ahead”. He said the EPs were the tools that New Porgera Limited would use. It has to meet statutory environment obligations, manage the environment and the Porgera, Lagaip, Strickland River systems, all the way down to Lake Murray and down to the Fly River estuary. The permits were previously held by former operator Barrick Niugini Ltd as WE-L3 (91) and WD-L3 (121).

No Porgera mine impact audit

The National, 14 September 2023

THERE was no audit done on the Porgera mine’s impact on the environment and waste disposal on the river in the past 30 years, the Conservation and Environment Protection Authority (Cepa) says. Acting managing director Jude Tukuliya said during the transfer of the mine’s Environment Permit (EP) WE-L3 (923) and EP-L3 (923) to the New Porgera Limited (NPL) in Port Moresby yesterday that an environment audit would be conducted. “The then Department of Environment, Conservation and Climate Change, now Cepa, failed to adhere to its statutory requirements in undertaking a major environmental audit. “I would like to assure stakeholders, particularly the affected communities along the Strickland River system, that a major environmental audit will be undertaken and headed by Cepa while the mine is in operation,” he said. He said the audit’s findings would determine the outstanding environment legacy issues for the past 30 years.

Tukuliya said the new mine must properly look after the environment and river systems of Porgera. “I also beseech NPL not to be hesitant to apply any new and/or innovative environment management and mitigatory methods and technologies outside of the terms and conditions in these EP to better manage the environment,” he said. “One example would be the possibility of shifting the compliance point to meet statutory standards at the tailings outlet.” Environment, Conservation and Climate Change Minister Simo Kilepa said one of the main issues in the 1995 ministerial determination for compensation was the environmental damage caused by discharges of mine wastes, including tailings and sediments into the riverine system. “The NPL will work with Cepa to undertake a review of the determination, before a new one can be entered into,” he said.

MRA ordered to provide files

The National, 14 September 2023

THE NATIONAL Court has ordered Mineral Resources Authority (MRA) to provide documents and information regarding customary ownership to the special mining lease (SML 10) of Wafi-Golpu mining project in Morobe by Sept 15. The National Court made the order in a case filed by Babwaf Saab Landowners Association under the chairmanship of Naga Jason. MRA was ordered to produce data and information regarding the relevant and concerned clans and incorporated land groups, which were registered as having landownership interests within or over the relevant tenement areas within the Wafi-Golpu mining project area which it had records of within its custody by

way of affidavit. These should be filed and served by tomorrow, Friday, Sept 15, 2023.

The court also ordered that the plaintiffs' application filed on June 22, 2023 be adjourned to Sept 22 at the National Court in Lae. Babwaf Saab landowners association filed the case in the National Court after claiming that they were the legitimate landowners to the area covered under the SML 10. Their case was based on a miner certificate issued by the mine warden in 1958, a decision of a local land court made in 1981 and the decision of the provincial land court of 1982 that identified them as the customary landowners to SML 10 of the Wafi-Golpu gold and copper mining project. The 1981 and 1982 decisions declared the people representing Babwaf Saab Landowners Association as the legitimate landowners to SML 10. Lawyer representing the landowners association, Jacob Aku, said his client would also challenge the Government's recognition of certain landowner groups.

Businesses near closed PNG mine desperate for help to stay alive

Don Wiseman, Radio New Zealand, 14 September 2023



Photo: Supplied/Barrick Gold

Businesses in Porgera town, adjacent to the soon to be re-opened Porgera Mine, are pleading for financial help from the Papua New Guinea government. In 2020 the mine in Enga Province was closed when the government and Barrick Gold couldn't reach agreement on a new lease. Those negotiations have taken three years and now the mine is close to starting again. But Nick Pakea of the Porgera Chamber of Commerce said all local businesses struggled through the closedown, with some forced to shut down for good. The government has promised funding to the provincial government but Pakea wants some of this directed to the businesses which have struggled. "So when it shut down its operations in 2020 our businesses went as well. Just imagine the physical workforce went home and then the power was cut off and the cash flow.

"Most cash flow is generated from the mine, so in the past three years we have been facing a very critical time and we have been facing a lot of challenges." Pakea said the government's slogan for the past four years of "Shorten Pain for Long Term Gain" for Porgera businesses has become "Long Term Pain". He said some of the businesses are gone for good so the government must provide compensation so those businesses still operating can recoup what they lost. In addition Pakea is looking for money to be made available through the National Development Bank into order to reactivate the Porgera businesses and for the Enga provincial government to use some of the funding it is receiving to clear outstanding bank loans for the businesses.

Last month the PNG Prime Minister, James Marape, told a development forum in Wabag that "under my administration, the government is committed to ensuring a more favourable arrangement in

the New Porgera, building upon the insights gained from the past three decades." He called on all stakeholders to engage in the development forum proceedings. In April the PNG Government reached agreement with Barrick Gold and its partner Zijin, to re-open the mine, with those businesses taking a minority shareholding. The chief executive of Barrick Gold, Mark Bristow, told RNZ Pacific earlier this year that remedial work was already underway but that the companies remained concerned about the ongoing lawlessness in Enga, and particularly around Porgera. Much of this lawlessness is tribal fighting and the government is now promising to establish an elite force within the police which will be invested with power to use lethal force.

Global need for LNG growing, says ExxonMobil president

The National, 13 September 2023

GLOBAL demand for Liquefied Natural Gas (LNG) is growing, and it has contributed to changing the socio-economic status of Papua New Guinea, says ExxonMobil senior vice-president Peter Clarke. "PNG has the potential of supporting the demand for energy supplied by gas and has already done so throughout the Asia-Pacific region," he said. "It is estimated that the country could be supplying 2 per cent of the world's demand for sustainable and reliable use of gas by 2030." Clarke told the Petroleum and Energy Conference in Port Moresby yesterday that investing in gas in a third-world country such as PNG "not only drives the country's economy, but contributes to the global energy demand for gas from 2030 and beyond".

According to ExxonMobil, the demand for gas compared to its unsustainable and higher carbon footprint counter-parts such as coal and oil was gaining recognition globally, especially in Europe. "This would be largely due to the world's population increasing by 25 per cent, and 15 per cent of the world moving to the sustainable and reliable use of gas," he said. "These factors compounded with the global demand for reliable, easy-to-store and easy-to-supply environmentally sustainable gas to electricity would be used to meet the global need for manufacturing, and electricity supply for commercial businesses and homes." Facts Global Energy chairman Fereidun Fesharaki said PNG's LNG resource sector provided some of the most valuable gas extracts in the world.

More gas projects yet to be developed

The National, 13 September 2023

PAPUA New Guinea has been dealing with petroleum for 30 years and the liquefied natural gas (LNG) for the past nine years, says Kumul Petroleum Holding Ltd managing director Wapu Sonk. Sonk said yesterday that there were more gas projects in the country yet to be developed. "The Government is looking at options to commercialise this potential gas projects," he said. Gas concentration is in the Highlands, while the biggest potential of gas projects onshore and offshore are in Western and Gulf, he said. Sonk added that the Government had identified the introduction of a train systems for the proposed Papua LNG project with first production expected in 2027. Developers such as ExxonMobil and TotalEnergies have helped in capacity building and infrastructure set-up to support the country's plan to downstream gas.

Sonk added that acquiring 2.6 per cent of the PNG LNG project from Santos was "quite difficult" because of the financial and policy regulation requirements the State had to meet. But with the acquisition of the 2.6 per cent and a further planned acquisition of 2.4 per cent, Kumul Petroleum Holdings Ltd and the people of PNG would benefit from the 5 per cent acquisition from Santos. National Energy Authority (NEA) managing director Ronald Meketa said the country needed to move to more reliable sources of energy through hydro, solar and gas. "The demand of electricity would mainly come from the gas sector, and is a key priority NEA is looking at to support a

proposed move from tradition coal and oil power supply to more reliable and sustainable gas to electricity supply.”

Talks on K700mil IDG: Ipatas

The National, 13 September 2023

ENGA Governor Sir Peter Ipatas says his administration intends to reach an agreement with the State on the breakup of the K700 million (K100 million annually) Infrastructure Development Grant (IDG). Sir Peter said when presenting the position paper on the Porgera Mining Project Community Development (CDA) to Mining Minister Sir Ano Pala in Wabag on Monday that the K100 million annual Business Development Grant, the three per cent royalties and the two per cent Tax Credit Scheme, were benefits already committed to by the State. He said the country had seen the positives and the negatives of the mine’s operations in the last 30 years.

Sir Peter said in the last 30 years of the mine’s operations, Enga stakeholders had a five per cent share in the project, where the provincial government had 2.5 per cent and the Porgera Special Mining Lease (SML) landowners had the other 2.5 per cent share. “Now is the time to improve the conditions of the agreement of the past,” he said. The new equity shareholding arrangement is a 51/49 split ownership, where PNG stakeholders own 51 per cent shares while Barrick and its partners own 49 per cent. Out of the 51 per cent shares owned by PNG stakeholders, 36 per cent is owned by Kumul Minerals Holdings Limited on behalf of the State, and 15 per cent is owned by Enga stakeholders, through Mineral Resources Enga.

Out of this, 10 per cent is owned by the Porgera Special Mining Lease (SML) landowners, whilst five per cent is owned by the Enga government. Sir Peter told landowners who gathered at the occasion that 15 per cent was a considerable amount of shareholding in a project like Porgera, adding that going forward, they would negotiate for more opportunities during the coming CDA process. A section of the SML landowners and the Porgera Local Level Government, who were not able to attend the Alotau consultations, also presented their papers to Sir Ano. Sir Ano acknowledged the visionary leadership of Sir Ipatas throughout the process of project negotiations, and hailed the governor for leading Enga in becoming a model province in the country especially in the areas or education and health.

Authority to take charge of Act

The National, 13 September 2023

PETROLEUM and Energy Minister Kerenga Kua says a bill to establish the National Petroleum Authority will be introduced in Parliament before the end of the year. Kua told participants at the Petroleum and Energy conference in Port Moresby yesterday that the authority would be charged with the administration and management of the Oil and Gas Act. He explained that the Government plan, in regards to the development and implementation of its reform in the oil and gas sector. “We are nearing the end of what has been a long journey of constitutional and legislative reform starting in 2013,” he said. “We will see our ownership and management of petroleum resources move from its current concession-based arrangement to a fiscal regime known internationally as petroleum production sharing.”

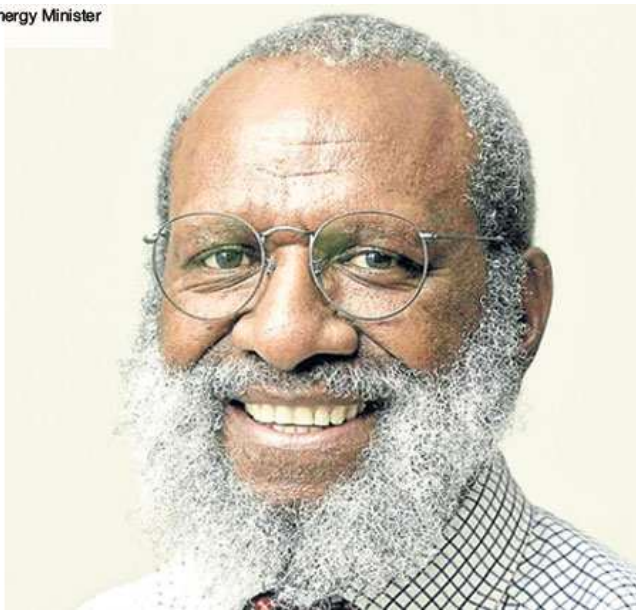
It involves an agreement between a petroleum investor and a state oil company to split petroleum revenues after exploration and extraction costs are covered. The petroleum investor has commercial objectives and it takes on the financial, technical and resource risks associated with a given development. The state oil company retains ownership of the resource for the benefit of its people. Kua

said the authority would eventually administer and manage petroleum production sharing. The authority is expected to be fully operational by the end of the first quarter in 2024. The other legislative components of the petroleum production sharing reform agenda to be developed by the Government are:

- A PETROLEUM Production Sharing Act which will provide the implementation of petroleum production sharing;
- A NATIONAL content (petroleum) act which will strengthen PNG's capacity in the petroleum sector to become internationally competitive; and,
- A DOMESTIC market obligation act which will set out Government's expectations of projects to supply energy into the domestic market on terms in accordance with government policy.

He added that one of the fiscal benefits that the petroleum production circuit-breaker would bring was the opportunity to "increase our royalty take from our petroleum projects". "Recipients of royalty – and particularly landowners and provincial and local level governments – will be much better off," he said. He advised investors that "there is nothing to fear through us taking these steps. "Our actions would at all times be reasonable and justifiable in the context of our petroleum sector," he said. "So let me turn to the world of production sharing and make some observations to you: Kua pointed out that one of the key drivers for production sharing was that the Government would avoid the "crippling debt burdens imposed through our participation in petroleum projects under the concession regime".

Petroleum and Energy Minister
Kerenga Kua



"This includes the requirement that we take equity on behalf of our people, and contribute to construction costs where we are forced to borrow money to pay back our share of the developer party's historic costs and to meet the construction commitments," he said. "As we have seen with recent projects in the petroleum and mining sectors, Papua New Guinea simply cannot continue to afford to incur this expensive debt. "Raising unnecessary debt effectively comes as an opportunity cost, because it prevents the Government from borrowing other funds for national and social benefit projects such as hospitals, schools, roads and other socially important infrastructure."

Mine licence may be ready in two weeks

By REBECCA KUKU in Enga, The National, 13 September 2023



MINING Minister Sir Ano Pala says the licence for the Porgera mine will likely be released in two weeks' time, following a meeting of the mining advisory committee last weekend. He said the committee which met in Cairns, Australia would be presenting their recommendations to him tomorrow (today). "I will be presenting (the recommendations) to the National Executive Council for approval, and will then issue the licence," he said. Sir Ano said negotiations on the mine benefits would continue as the issuing of the licence was a separate matter. Meanwhile, Enga Governor Sir Peter Ipatas said the New Porgera consultation and development forum should not have been moved out of Enga to Alotau last week. "I know the landowners. We have been through so much together. "I know the challenges they and the provincial government faced.

"The forum should not have been taken out of Enga," he said. Sir Peter said the provincial government and the Mineral Resources Authority continued to fight for the people's rights over the years. Jimmy Maladina, the minister assisting the prime minister, said the Government had negotiated for better royalties and benefits for the people. "For the last four years, they have fought for a better package, better royalties, better equities, and a one-off K53 million payment for the people," he said. "The new agreement will also see US\$3 million (about K10.8 million) set aside annually for long-term development. "The Government, has also set aside K900 million as an Infrastructure Development Grant and the credit scheme that will see Enga develop its infrastructures." Sir Peter also acknowledge the Government for negotiating a better package for the people.

Wagang leader raises tailings issue

Post-Courier, 12 September 2023

THE President of Wagang Landowners Outfall Association is concerned about the updates of Wafi-Golpu deep sea tailing placement (DSTP) process. Gae Galang said since 2016, when the DSTP options were offered, the government has openly consulted them but then the process was slowed by the 2019 covid pandemic. He said they have clear knowledge of the process and the development forum and about what will happen but they are disappointed that they are not seeing those processes. Mr Galang said previously, they have a team Morobe consultative forum that all stakeholders were involved in informing each other but now everything seems to be bulldozed. "There must be an agenda, negotiation and a draft formula and signing of agreement," he said.

He said they do not want to see another Hidden Valley scenario. “For the case of Hidden Valley there is no success story, they said in every three years the MOA will be reviewed however that never eventuated till now,” he said. Mr Galang said Wafi-Golpu involved a large footprint but how will they get through those processes. “Wagang is a customary land that the pipeline will run through and we want all those process to be followed accordingly. We feel that the recent stakeholders update in Lae is not a consultative forum but just announcements from the government, we never voiced our concerns.” He said politicians must stay out of the process because, as landowners, they would not want their children in future say that their fathers did not negotiate well.

PDL1 LOs want invite to Porgera forum

The National, 12 September 2023

HIDES Petroleum Development Licence One (PDL 1) landowner representatives says they should be invited to present their position papers to the State in the Porgera Development Forum. Hiwa Tuguba Hides Association chairman Aluja Jakari said as the landowners of the gas facilities and well-heads: “We cannot be placed in the same basket with power transmission line landowners and corridor landowners. “We are the owners of the land on which the well-heads and facilities are located. “We are still waiting for the Government and its relevant agencies to formally invite us through our association.” The Porgera mine, in Enga, for the past 30 years, was powered through the gas to electricity (GTE) from Hides (Hides Gas Project). Jakari said the extraction and use of “our natural resource (gas) to power Porgera gold mine since 1993 and the benefits our landowners are entitled to are governed by the GTE agreements (MOAs).”

“Currently, there are many outstanding issues relating to the benefits that our landowners are supposed to have derived from the said MOAs,” he said. These outstanding issues can only be addressed through the review of these MOAs which is still pending. “Any position presented by individual persons or entities holding themselves out to be representing us the Hiwa, Tuguba and Kewapa/middle clan landowners is not the position of the 17 Hiwa and Tuguba landowning clans of Hides PDL1. “We the landowners must be made known of the content plan or what is at stake for us before we present our position and enter into any Agreements that will bind us for the next life span of the new Pogera mine. “Our benefits are derived from a totally different agreement that is yet to be reviewed and therefore all outstanding issues and commitments under the existing agreements must be fulfilled.”

Telefomin LOs part of benefit sharing accord

The National, 12 September 2023

THE Riverine mine-affected footprint landowners of Oksapmin in Telefomin, West Sepik will be part of the New Porgera benefits-sharing agreement, a spokesperson says. Strickland Amba Duban Association chairman Shedric Bisapen thanked the Government for including them. “We have expressed our thanks to the Government through our MP Solan Mirisim,” he said. “There are 10 villages around the river areas and their homes, environment and life were affected by the mine operations.” Bisapen thanked Prime Minister James Marape for driving the Government’s goal to secure better benefits from the country’s resources.

He also acknowledged the Enga government, and the State negotiating team under chairman Dairi Vele, the mining ministry, Mineral Resources Authority and other stakeholders for moving the negotiations forward. The Oksapmin landowners, Mirisim and Sandaun Governor Tony Wouwou were in Alotau last week to present their submission as regards the benefits from the New Porgera

deal. The association expects to be invited for the final consultations and benefits negotiations and agreements before the reopening of the mine under the New Porgera deal.

Chamber wants govt, mine developer to declare package

The National, 12 September 2023

THE Porgera Chamber of Commerce and Industry has called on the Government and the Porgera mine developer to declare a stimulus package of up to K50 million to recover the losses by businesses. Chamber president Nick Pakea said, in the submission to the Government yesterday, they also wanted K20 million put into the National Development Bank for the small-to-medium enterprises (SME) in Porgera's Paiela to access funding before the re-opening of the mine. The chamber, formed in 2017, had to mobilise financial capabilities with contractors of the Porgera Joint Venture. "We had almost 500 incorporated entities doing specific business," he added.

He said in line with the Government's SME master plan 2016-2030, the chamber wanted to promote the economic viability of the district "so that current businesses will grow and new ones to come on stream to revive the economy". Pakea said the aim was to provide a one-stop shop for small-to-medium businesses in the informal sector by providing trainings, start-up capitals and enhancing market facility. He said the "sudden closure" of the Porgera mine in April 2020 greatly impacted chamber members. "We (became) crippled, financially, physically and mentally, (resulting) in the close of operations, laying off of more than 6,000 employees," Pakea said. He estimated that the total loss incurred in the past four years was K124million. "That is quite massive," Pakea said.

Lime project transformative, says minister

The National, 11 September 2023

MINING Minister Sir Ano Pala says the Government is excited about the Central Cement Lime Project, a transformative development situated in Kido village, Central. Sir Ano said this during a recent site tour led by Mayur Resources managing director Paul Mulder with esteemed guests in attendance. Among the guests were Sir Ano, Special Economic Zone Authority (SEZA) chairman Varigini Badira, and acting chief of staff of the Prime Minister's Office Philip Leo. The groundbreaking collaboration between the mining sector and the special economic zone concept not only seeks to boost downstream processing within the mining industry but also the associated supporting industries marking it a promising and pioneering partnership.

The project will focus on producing clinker and cement for both domestic and international markets, utilising locally sourced limestone. This endeavour has already resulted in the creation of 15 private sector jobs, including the appointment of Musje Werror, the former managing director of Ok Tedi Mining Ltd (OTML), as part of the Mayur team. Moreover, 20 locals from Lealea have received training at the Australia Pacific Training Coalition, with an additional 20 from Kido expected to join their ranks by the end of next month specialising in various vocational fields to support this initiative.

Landowners to take part in investment opportunities

The National, 11 September 2023

THE Ok Tedi Mining Limited (OTML) has engaged a landowner association to take part in investment opportunities. OTML manager economic programmes Steve Hoap said they engaged the eight Community Mine Continuation Agreement (CMCA) regions, Women and Children associations,

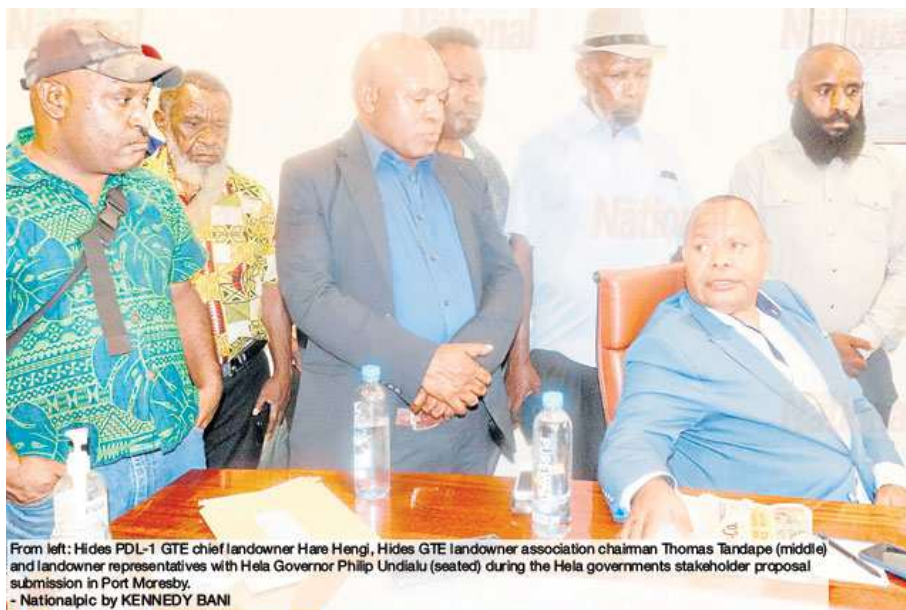
and the mine villages women and children's association, to enter into investment partnership with two other landowning groups. "This investment opportunity involves a 50 per cent stake valued at K5.3 million in OTML's 150-man accommodation project at its Bige operations," he said.



The other 50 per cent ownership is split between the Alice River Trust (15 beneficiary villages) and LMP79 (seven beneficiary landholding clans) at 25 per cent shares respectively. A cheque of K5.3 million was presented to OTML on Aug 16 by the leaders of the Women and Children Associations. The total purchasing price of the prefabricated 150-man Donga units alone is US\$3 million (about K10.8 million). OTML has given 100 per cent shareholding to its project impact communities, while paying for the construction, logistics (freight/customs), and manpower.

Governor lays out Hela's demands

The National, 11 September 2023



HELA helped supply 70 megawatts of electricity for the Porgera gold mine in Enga in the past 30 years before it was closed, says Hela Governor Philip Undialu. Undialu made the statement during

the submission of Hela stakeholder's position proposal, for its interest equity payments and land-owner compensation in the new Porgera mine deal. The submission is part of the mine's development forum agenda before the re-negotiation for the mine's stakeholder equity interest for its beneficiaries are finalised by the State and developer Barrick Niugini Limited (BNL). Aside from the landowners, in the mine-affected areas in Porgera, beneficiaries include Hela landowners and the provincial government. The Porgera development forum was opened last month by Mining Minister Sir Ano Pala. Undialu said: "So much attention has been given to Porgera, and Hela is also an important partner that provides gas to electricity (GTE) for mine operations.

About 70 kilometers of power lines run from Hides in Hela through to Porgera." Undialu told, State's representatives-Mining Minister Sir Ano, Vice Minister assisting the Prime Minister on the State Negotiating Team (SNT) Jimmy Maladina, Vice Minister Mining James Donald, SNT chairman Dairi Vele, and Mining secretary Harry Kore, that "the Hela government has summarised our landowner and provincial stakeholder submissions into two positions which mainly deal with legacy issues." "The two positions we highlighted, are for the Government and BNL to consider," he said. "We are proposing our first position on project integration of Hela into the Porgera operation and its beneficiary stakeholder groups and the second position option, is to treat us as a standalone beneficiary. "We want to take ownership of the GET power plant in Hela that generates power for Porgera, we want the power facility transferred to the Hela government and people."

Papua LNG on track: Marape

The National, 11 September 2023

Prime Minister
James Marape



PRIME Minister James Marape says that the US\$12 billion (about K42.8 billion) Papua LNG project is on target for its final investment decision (FID) phase and construction next year. This followed his meeting with TotalEnergies' chairman and chief executive officer Patrick Jean Pouyanne in Paris, France, marking the conclusion of his three-nation tour to Israel, Indonesia and France. Marape directed the ministers for education and higher education to initiate training programmes for 5,000 individuals from Gulf, Karamui in Chimbu, Okapa in Eastern Highlands, plus Grade 12 school leavers. The programmes will focus on trade skills such as welding, plumbing, carpentry, cooking, and industrial assistance, in anticipation of workforce requirements during the Papua LNG construction phase.

Marape, drawing a parallel with the PNG LNG project, said: “The construction phase of PNG LNG cost US\$19 billion (about K66 billion). “We anticipate a similar transformative impact on our economy with Papua LNG as construction activities gain momentum. “Our records show gross domestic product increased from K31.5 billion in 2008 to K47.7 billion in 2013 due to the PNG LNG project. “We anticipate a similar trajectory for the Papua LNG starting from 2024 onwards.” He said significant progress from front-end engineering design (Feed) to the construction phase would create more employment opportunities.

“Enhance the skills of our local workforce, bolster revenue streams and contribute to foreign exchange reserves, all in support of our national economy.” The project’s target date for its first gas production is in 2027. “We are fully committed to expediting the process, including social mapping, landowner studies and the expansion of opportunities for local businesses to thrive.” Marape said the Government’s proactive approach and strong commitment to the Papua LNG project reflected its dedication to fostering economic growth and providing opportunities for our citizens. “Our technical colleges in Lae, Madang, Goroka, Mt Hagen, Port Moresby and Kokopo will be used for short-term courses in November, December and January, taking advantage of campus vacancies during this period,” Marape said.

Hela gas landowners want benefits

The National, 11 September 2023



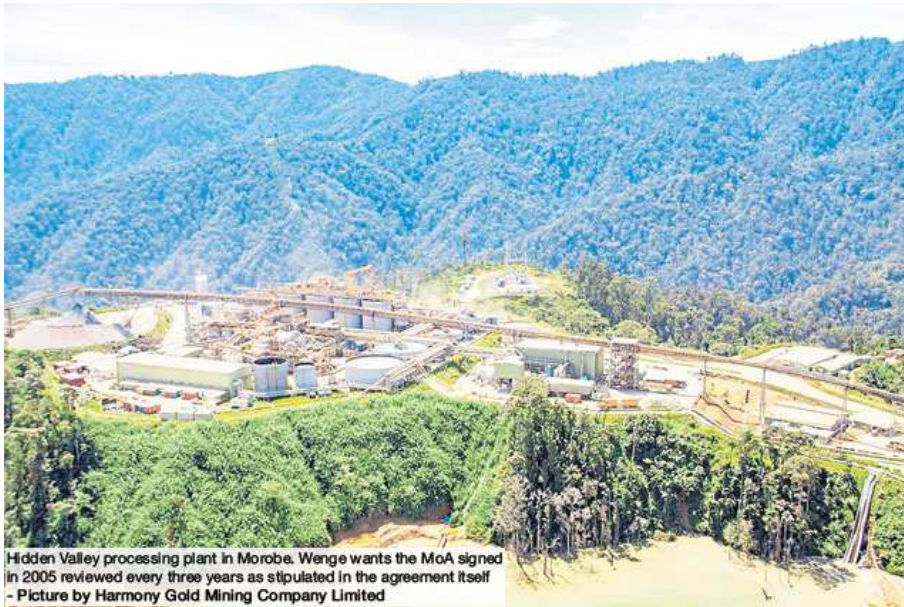
Alfred Angapanga presenting the gas to electricity landowners position in Alotau last week.

THE gas to electricity (GTE) landowners of Hela on Sept 6 made their case for all benefits accruing to them from the Porgera gold mine, following its reopening, to be paid into the umbrella company Trans-Provincial Corporation Limited. Power plant site landowners (ILG1664) representative Henry Hapo and power pylon landowners representative Alfred Angapanga told the State negotiating team in Alotau that the GTE were agreed that the power supply business be given to the landowners. In return the landowners promised to deliver project security in terms of reliable power supply to the mine. Back in Port Moresby, Angapanga said the landowners also asked for any tax credit projects, such as the proposed Tari to Porgera highway, to be given to TPCL.

Angapanga said any equity to GTE landowners from the 51 per cent obtained by the State for PNG should also be vested in the umbrella company. The umbrella company was registered by the Mineral Resources Authority (MRA) and given to the landowners in Tari in 2021. The company covers the power site landowners, the Hewa Koma (ILG 1664), the Hayapuga LLG, the Tagali LLG and the Pogera Paiela LLG. The landowners are opposed to a competing position proposed by Hela Governor Philip Undialu to the Government saying that the landowners are not privy to the details of the proposal and, therefore, had not given their consent. Angapanga thanked MRA which paid for many of the representatives’ travel fares to Alotau and said the group would attend the Wabag Mining Forum to negotiate and to witness any official agreements.

Review mine agreement: Sir Ano

The National, 8 September 2023



MINING Minister Sir Ano Pala agrees with Morobe Governor Luther Wenge that the Hidden Valley mine agreement needs to be reviewed. Wenge wants the memorandum of agreement (MoA) signed in 2005 reviewed every three years as stipulated in the agreement itself. The mine began operating in 2009. “The MoA was supposed to be renewed every three years but it has not happened for almost 13 years now,” he said. “Many things captured in the agreement were not met and we are still awaiting this renewal.” Sir Ano told The National that each review should try to improve on the previous one, although benefits will depend on what the resources are and the size of the resources. He said national content was a process the Government was negotiating.

“Shareholding have been determined so national content will be discussed as we push to get as much as we can for our people,” he said. “While we have 30 percent, with the national content and specialised negotiations at that level, we intend to increase it to over 51percent.” Wenge said, however, that laws should be changed to be in favor of the people. He recently called for Section five of the Mining Act and Section six of the Oil and Gas Act changed, with related constitution sections amended reinforcing 100 percent ownership for landowners. He also called for alluvial mining license reserved only for nationals, plus refinery rights and ownership to remain with nationals.

State successfully ends consultations on Porgera CDA

Post-Courier, 7 September 2023

The Porgera Mining Project Community Development Agreement (CDA) consultation process which began on Monday September 4 in Alotau, was successfully concluded yesterday. Chairman of the consultative meeting Harry Kore, said the process went according to plan. He said the plan was to bring all the landowner groups, impacted communities and stakeholders to one location, to enable each stakeholder through their duly nominated leaders, to present their position papers freely without fear or any form of intimidation. Position papers are documents that outline the landowners’ and impacted communities’ development aspirations and plans, which will form the basis for the CDA negotiations going forward. The position papers were presented to the Mining Minister Sir Ano Pala as follows:

- Special Mining Lease (SML): Presented by the Chairman of the Porgera Landowners Association (PLOA) Tony Mark Ekepa.
- Lease for Mining Purposes: Presented by the Interim Chairman of the Association Timothy Andambo
- Mining Easement (ME): Presented by Philip Mungalo
- Mining Lease (ML): Presented by Gideon Karipe
- Hides-Porgera Power Line: Presented by Ekamari Ekanjia and Alfred Andapanga
- Riverine communities from the Enga and Western Provinces' Porgera/Strickland River, and the West Sepik's Telefomin District: Presented by Peter Papo
- The Western Provincial Government: Presented by Governor Taboi Yoto
- West Sepik Provincial Administration: Presented by Member for Telefomin, Solan Mirisim and Governor, Tony Wouwou.

Mr Pala assured the landowners that the government was committed to ensuring that the process going forward was efficiently managed to make sure that the National Government listens to all their concerns in order to make justifiable decisions on the benefit distribution that is acceptable and one that every stakeholder can live with. The State Team will travel to Wabag next week and Tari the following week, to receive position papers from the Enga and Hela Provincial Governments. The receipt of all the position papers from each stakeholder will effectively conclude the Development Forum. The State Team has commenced developing a matrix that will contain all position papers, in preparation for the commencement of the CDA negotiation going forward.

PNG expects to gain 'billions' in royalties from Wafi-Golpu gold mining project

Radio New Zealand, 7 September 2023



Wafi-Golpu Project has the potential to make a significant economic and social contribution to Papua New Guinea over a long period. Photo: newcrest.com The man leading negotiations for Papua New Guinea over the Wafi-Golpu goldmine in Morobe Province believes the country will earn billions of dollars from the project. Wafi-Golpu project negotiations are nearing completion and the PNG prime minister James Marape has confirmed it will be a majority PNG-owned project. Newcrest and Harmony Gold Mining Company will have a significant minority shareholding in the

project. The project is anticipated to make a significant economic and social contribution to PNG over a long period.

PNG state negotiations chairman Dairi Vele said even working with conservative figures, the return to the government and people of PNG could exceed US\$15 billion. "That's \$28b over 28 years of which we are going to get 55 percent," Vele said. "We are going to end up with around \$US14-15b of that 28b, which is again very, very big numbers. "On paper, we have just got to see what is in the ground before we get excited." During his tour to Lae last month, Marape said indigenous landowners were set to become the biggest beneficiaries of the Wafi-Golpu project under the new arrangements between Newcrest and Harmony Gold Mining and the government. Morobe Province governor Luther Wenge said the response from the local landowners was positive and they "generally want the mine to go ahead".

Porgera LOs to get K56 million

The National, 6 September 2023

BARRICK Niugini Limited will give US\$15 million (about K56 million) to landowners on the first day the Porgera mine's reopening as a social contribution, says state negotiating team (SNT) chairman Dairi Vele. Vele said this in Alotau on Monday during the opening of the Porgera mine's Community Development Agreement (CDA) and new terms for the memorandum of agreement that about US\$3 million (about K10.9 million) would also be given every year for 10 years. "The company will do a social contribution, but because Barrick has done it, we have told Harmony and Newcrest (for Wafi-Golpu project), they too must do it," he said. "This is the first time Barrick has done it for Porgera, when the mines start they will contribute K56 million on day one; that is from the company, not from the Government."

Vele told about more than 200 landowners and impacted communities in attendance that dividends the landowners (15 per cent) received from the mining operations for 20 years would equate to US\$1.5 billion (about K5.5 billion). He said the CDA consultation in Alotau was about splitting the benefits among the landowners. Vele said on top of that, the Government had allocated K900 million for Porgera beneficiaries as well while a further K100 million would be allocated for business development grants annually for seven years. "On the Mining Development Contract, it is between the company and the Government," he said.

Vele told Mining Minister Sir Ano Pala that the SNT was confident that they would finalise the agreement by the end of the week in order to bring it to Cabinet and reach the Sept 16 deadline set by Prime Minister James Marape for the opening. He said with the current gold price at US\$1,945 (about K7,126) per ounce dividends would come to landowners for 20 years to the tune of about US\$1.5 billion (about K5.5 billion). "For the dividend for Kumul Minerals Holdings Ltd, and for the rest of the country on this 36 per cent, it will be US\$1 billion (about K3.6 billion) for 20 years because they will have to repay Barrick for the cost of care and maintenance during the mine's closure, so it is just under K4 billion for 20 years," Vele said. "For taxes, it will be just under US\$5 billion or K17.8 billion for 20 years."

'PNG LNG is mature and profitable'

Post-Courier, 5 September 2023

Kumul Petroleum Holdings managing director Wapu Sonk says the PNG LNG is a mature, profitable and de-risk petroleum project that has operated above its nameplate capacity. This comes after

the announcement that Kumu had finalised agreements with Santos to purchase a 2.6 per cent equity interest in the PNG LNG Project for US\$576 million, plus US\$160 million share of project debt. “This transaction is the culmination of many months of discussions that have taken place with national and international financiers since the NEC gave its initial approval for KPHL to acquire additional equity in the PNG LNG Project in September 2022,” Mr Sonk said. “The PNG LNG Project is a mature, profitable and de-risked petroleum project that has consistently operated above its nameplate capacity and which has many more years of commercial life left as additional gas fields are brought on line.”

Mr Sonk explained that on completion of the sale of the 2.6 per cent equity in the PNG LNG Project to Kumul Petroleum, Santos had agreed to grant KPHL a Call Option to acquire a further 2.4 per cent interest in the project, and that this Call Option must be exercised on or before 30 June 2024. “The total purchase price for Kumul Petroleum to exercise the Call Option will be US\$524 million, plus US\$145 million share of project finance debt. “At the end of this process Kumul Petroleum will have acquired an additional 5 per cent equity in the PNG LNG Project.” “Kumul Petroleum has ensured that entering into financing arrangements to acquire additional equity in the PNG LNG Project will not affect its financial capability to take up the State’s full 22.5 per cent equity entitlement in the forthcoming Papua LNG Project and also continue to pay annual dividends to the State, in line with our annual operating plans. “Kumul Petroleum thank Prime Minister, Minister for State Enterprises, William Duma and NEC for their support,” Mr Sonk said.

Minister: Govt deals with three LO groups

Post-Courier, 5 September 2023

Mining Minister Sir Ano Pala has confirmed that there are only three official landowners of the Wafi-Golpu mine recognised by the system. Sir Ano said during the Wafi-Golpu stakeholders update forum in Lae last Friday that Babuaf, Yanta and Hengambu are the three official landowners determined by the system, however, whoever is not on the list can raise their concerns through the consultative forum. He declared the consultative forum open which the landowners are now allowed to raise their views and queries through the Morobe provincial administration. A state team will be there to listen to all those concerns and petitions.

“The discussions are now open; we will deal with those three landowners and for any others coming on board and we will sort them out during the process. The ones that I have mentioned are the ones that the system have determined to be the official ones. And who else not on the list should be raised at this forum,” Sir Ano said. He also commented on Morobe Governor Luther Wenge’s call to review the Hidden Valley mine benefit agreements saying that they will try to improve the agreements through the review process. “When there is a review, we always try to improve. The benefits agreements and shares depend on the size of the resources. Definitely the system is well equipped and with professional people we will ensure that the best is negotiated,” he said.

K1.4bil put aside amid worries

The National, 4 September 2023

PRIME Minister James Marape says the Wafi-Golpu Joint Venture has agreed to put aside around US\$400 million (about K1.4 billion) following concerns over its preferred method of mine waste disposal. “There has been a lot of concern on the DSTP (Deep Sea Tailings Placement waste disposal method) which has influenced this additional funds to secure the concerns of the people along the mine footprint,” he said. “Landowners have every right to tell us to hold back that money as emergency funds for any environmental disaster in the future. “I know many have been talking

about environmental sensitivity, so this was built into the negotiated outcome.” Newcrest Mining Limited and Harmony Gold Mining Company Limited each own 50 per cent of the Wafi-Golpu project.

Marape said the additional funding was agreed upon following concerns around the developer’s preferred DSTP method of waste disposal. “This is the first company to put money into social obligation,” he said. “I have some ideas, which over the course of discussions, we can discuss how we will put aside some funds from that 55 per cent benefit value to the state, not just for now, but more importantly, sustenance of our future.” Marape thanked the developer for agreeing to a tax advance, where the business will be taxed before actual mine operations. “One (project) we have agreed to, is the road from 40-Mile through Markham into the Watut Valley and to Menyamya,” Marape explained. “The Government will pick this in the Connect PNG agenda to link up Watut – to the tune of (almost K350 million). “When we sign the agreement, this roadwork will begin.”

Benefits still open for talks: Governor

BY GLORIA BAUAI, The National, 4 September 2023



MOROBE Governor Luther Wenge says all benefits related to the Wafi-Golpu mine project are still open for negotiations between the provincial government and impacted landowners. He told The National that the break-up of royalty and equity announced earlier was only the position of provincial government and would still be up for negotiations during the Development Forum. He said under the mining act, the provincial government, as a stakeholder was entitled to have its say on the distribution of the benefits. “When the Mineral Resource Authority comes to facilitate the forum, the landowners will present their position and then eventually we will all reach an agreement,” he said.

“So negotiations have not stopped yet. But we must remember to be fair so everyone in the province at least benefits from this project to generally improve lives.” “Law does not say all royalty will go direct to the landowners; so yes, we will negotiate.” Wenge clarified this following concerns raised by landowners of Special Mining Lease 10 that the provincial government was making unilateral decisions on the benefit-sharing without their consent. Wenge had announced Morobe’s position that landowners impacted would receive 1 per cent of the 3 per cent royalty and 5 per cent of the 10 per cent equity while the rest was shared between the provincial government and rest of the province.

He had also called on the mining minister to open up the infrastructure development grant to include social services as well. He said at this stage, the grant was closed to infrastructure only while priority landowner needs expanded to other areas such as registering Integrated Landowner Groups. Wenge confirmed that Morobe had received only K50million of the promised K150million IDG for this year; and was still awaiting the K50million business development grant. He said the decision on how to utilise these fund was a PEC decision and not his own. "What ever happened in the past was not in my term and I cannot answer for that," he said. "But if there was misappropriation of the funds, people will be arrested." "This mine project is for the future of Morobe. "Everyone must benefit," Wenge said.

PNG gains in LNG project

The National, 4 September 2023

SANTOS PNG has agreed to sell a 2.6 percent participating interest in the PNG LNG project to Kumul Petroleum Holdings Limited (KPHL) for a sale agreement price of US\$576 million (about K2.1 billion). Prime Minister James Marape has welcomed the transaction, saying it would increase KPHL's interest in the PNG LNG "and support the Government's objectives for the people to have a greater equity interest in the development of their natural resources". Santos managing director and chief executive officer Kevin Gallagher said it was agreed that KPHL would acquire an accumulated five per cent of the PNG LNG project, with another 2.4 per cent expected to be bought by the national petroleum and energy company. KPHL is expected to satisfy the requirements by June 30 next year, after it has satisfied all other conditions of the sale agreement. Gallagher described the PNG LNG project as a "low emissions project that contributes strong cash flow to the project stakeholders and contributes to the economic and social benefits of the country".

According to Santos, KPHL had paid a purchase consideration deposit payment of US\$80 million (K294.1 million) through a third party arrangement with Santos' escrow. KPHL is expected to make further pre-payments through Santos' escrow until the completion of payments. The deadline on the sale agreement is the end of the year. Gallagher said Santos had also offered to sell another 2.4 per cent participating interest in the PNG LNG project to KPHL for US\$524 million (K1.9 billion) plus equal share of the project's finance debts which was also in the sale agreement for the first 2.6 per cent participating interest. These project finance debts are the debts and equity used to finance the PNG LNG project, and would be expected to be a shared cost between Santos and KPHL as outlined in the sale agreements conditions, regulatory approvals and third-party consents.

PNG setting up 'lethal' unit to counter tribal fighting, PM James Marape says

Don Wiseman, Scott Waide, Radio New Zealand, 1 September 2023

Papua New Guinea prime minister James Marape says a new elite police team, invested with lethal powers, is to be established to overcome lawlessness and tribal fighting in the Highlands. Marape has been in taking part in development forums for two major new projects - the relaunching of the Porgera goldmine and the soon to be finalised Wafi-Golpu goldmine. Porgera is set to re-open this month but this has been disrupted by tribal fighting in Enga Province. The government has promised police will be use lethal force and perpetrators will suffer life jail terms. Marape said in the long term a new police team is to be set up to specifically deal with this type of lawlessness. "I am not at a stage to disclose exactly what structure the police commissioner is setting up," he said. "But a special unit is being pulled together, not just for Enga but anywhere in the country. We are setting up a special police unit, highly lethal, that will have a code of operation that is beyond the current police to deal with what we label as domestic terrorism occurrences in our country."



Prime Minister James Marape Photo: RNZ Pacific / Kelvin Anthony

Mining arrangements

Meanwhile, speaking during a development forum being held in Lae for the planned Wafi-Golpu gold mining venture, Marape said the new arrangements the government is reaching with mining companies were among the best in the world for the indigenous landowners. The forum follows a similar event in Porgera where the New Porgera Ltd is set to resume mining activity after a three year hiatus over lease talks. The Wafi-Golpu gold mining venture remains under negotiation with the developers, Harmony Gold and Newcrest. Marape said in both Porgera and Wafi-Golpu, the government has taken a majority stake which promises greater returns for landowners and the wider community. "I think it is, in my view, one of the better resource harvest arrangements anywhere on planet earth," he said. "Many countries on earth don't give respect to landowners, indigenous people. Papua New Guinea is a tribal based country, our people hold rights to the land and this process gives them access to the project agreement and allow them to negotiate among themselves about how the split what is in it for them."



Aerial view of the Porgera gold mine. Photo: Zijin Mining

Landowners for goldmine

As negotiations continue over the planned Wafi-Golpu goldmine in Morobe Province, the governor Luther Wenge said the landowners are generally for it. Wenge said he has been speaking with landowners who will be affected by aspects of the mining project. "The response from the people is that they want the mining," he said. "Of course, we will negotiate on how much the landowners are going to get and how much we are going to give it to the affected area, from the royalties that we are going to share. "But generally speaking the people want the mine to go ahead." Marape said the mine will be majority owned by Papua New Guinea and this will allow the landowners and community to receive a greater return than on previous resource developments.

Santos agrees to sell 2.6 per cent PNG LNG interest to Kumul

Post-Courier, 1 September 2023



Aerial photos of LNG plant site, December 2012

Santos has agreed to an initial sale of 2.6 per cent of PNG LNG to Kumul Petroleum Holdings Limited (KPHL) and an option for Kumul to acquire a further 2.4 per cent. The company announced that it has executed a binding sale agreement to deliver KPHL a 2.6 per cent participating interest in PNG LNG for a total purchase consideration comprising cash of \$576 million (About K1.3 billion) and the assumption of ca. \$160 million (about K366.4 million) of project finance debt (the Sale Agreement). Completion of the Sale Agreement is not subject to finance and is conditional only on the approval of the PNG competition regulator on or before 31 December 2023.

Kumul has paid \$80m (About K183 million) into escrow with Santos as part payment of the purchase consideration under the Sale Agreement. Kumul has undertaken to make further pre-payments of the purchase consideration into escrow throughout the period up until completion. In addition, Santos has agreed to grant Kumul a call option to acquire a further 2.4 per cent participating interest in PNG LNG for a cash purchase price of \$524 million (About K1.2 billion) (plus a proportionate share of project finance debt) (the "Call Option").

The Call Option must be exercised on or before 30 June 2024 and is subject to completion of the Sale Agreement having occurred and the satisfaction of customary conditions, including necessary regulatory approvals and third-party consent. On 27 September 2022, Santos announced the receipt of a binding conditional offer from Kumul to acquire a five per cent interest in PNG LNG. This offer and the exclusivity arrangements with Kumul have now expired. The financial terms and effective date (December 31, 2022) of the transactions announced today are consistent with the terms of that previous offer inclusive of the transfer of project finance debt.

Law and order worries resources sector

The National, 1 September 2023

LAW and order issues remain the number one concern for resource projects in the country, says an industry representative. Newcrest Mining country manager Stanley Komunt joined Porgera Chamber of Commerce and Industry president Nickson Pakea and Porgera Lease for Mining Purpose Association chairman Timothy Andambo in saying that all stakeholders needed to prioritise and address this issue. Komunt said this during the PNG Community Affairs and National Content Conference and Expo (Canconex) in Lae this week when sharing his thoughts in a session on law and order issues in the resource sector. “The question is how can we get our young generation engaged?” he said. “When you have an engaged youth, women engaged, then you have a happy community.

“In the project areas, we do a lot of programmes in agriculture, training, some do it better, some not. “Sometimes, we expect the Government to address law and order. “Each of us have our own budget to look after our employees, resources and the community. “There has been some challenges and depending on where you are, if you are in the Highlands, the price tag is high, in the coast, it is a bit low. “The unemployment situation is one of the main drivers for the law and order situation that we have. “We can’t employ all the villages, the youths in our host communities and neighbouring communities. “That’s when we look at the other enabling activities in the project sites.

“We need to work with the government to make sure that we strengthen the community policing system so that we bring the order in our communities. “I think we have lost the basic law and order in our community.” Andambo said the gold in Porgera brought blessings as well as curses, one of which was law and order. He said gold was discovered in 1938. “People from all over came to Porgera,” he said. There was the Mt Kare gold rush in 1987. “When the mining company came in, the blasting also made it easy for the people to collect gold, there was gold everywhere. But then there was the issue of illegal miners. It will take a collaborative effort to address it.”

Row over mine benefits

By GLORIA BAUAI, The National, 1 September 2023



A LANDOWNER association has warned the Morobe government to stop making decisions unilaterally on the royalty, equity and other benefits on the Wafi-Golpu project, and ignoring the

landowners. Jack Raban, president of the Babuaf Landowner Association, from the Wafi-Golpu Special Mining Lease 10 area, said the association members were disappointed with the decisions already made by provincial government. He was responding to Governor Luther Wenge who said that of the three per cent royalty allocated to Morobe:

- AFFECTED landowners would get one per cent;
- THE provincial government to get 1 per cent; and,
- PRIORITY areas, namely the church, education, and law and order, to get the other one per cent.

Wenge added that the 10 per cent free-carry equity would be divided evenly between the landowners and provincial government, with the provincial government allocation a portion of its five per cent to the churches. He said a foundation would be set up by the provincial government to manage all royalty funds, and invest on behalf of the landowners, annually reporting back to the provincial government and project developer. But Raban said such decision should be left to the development forum. "Let us follow the process where the provincial government and landowners come together at the development forum and decide on the break-up of these benefits and percentages," he said. "I am the resource owner and must talk about the right of my people on all benefit sharing: royalty, equity, business opportunity.

"The provincial government must not make its own decision and suppress our rights." A Government team met with the landowners and the provincial government yesterday in Lae for an update on the K18 billion gold-copper project which is progressing towards the issuing of the Special Mining Lease (SML) licence. Prime Minister James Marape said in Lae yesterday that he was happy to see the Wafi-Golpu and Porgera development forum processes running. He urged landowners and the provincial governments to "speak your mind on matters you know are important". Meanwhile, Mining Minister Sir Ano Palo encouraged landowners affected by the Wafi-Golpu project to negotiate strongly but peacefully for their benefits during the development forum.

"This (consultative update) is the final step to opening up the development forum," he said. Sir Ano said all the groundwork on the project had been concluded. The next stage is to finalise the mining development contract with the Wafi-Golpu joint venture, have it submitted to the National Executive Council for approval, and issuing the mine lease license when the development forum is completed. State Negotiating Team chairman Dairi Vele said the project was by far the best in the country's mining history, with more benefits to the country and landowners. He said the Kumul Mineral Holdings had 30 per cent equity while Harmony Gold and Newcrest had 35 per cent each. The 10 per cent state equity was a free-carry to the Morobe government, including the 3 per cent royalty, giving Morobe a 13 per cent ownership of the Wafi-Golpu project.

Fiji, Kiribati urged to stop phosphate exploration process on Banaba island

Susana Suisuiki, RNZ Pacific Journalist, Radio New Zealand on 26 August 2023

A spokesperson in a village on Rabi island is urging the Fiji and Kiribati governments to stop an exploration process led by an Australian mining company to extract the remaining phosphate on Banaba island. Rabi is home to many Banabans. On 15 August, the Rabi Council of Leaders' administrator, Iakoba Jacob Karutake sent a letter to Centrex Ltd managing director Robert Mencil approving the company's request for exploration citing the proposal had gone through "prominent members of the community". However, Tabwewa chairman Toanuea Taratai said neither the Banaban community on Rabi island nor Banaba itself were ever consulted. Taratai said intervention from both governments was needed much sooner rather than later. "We need to halt all the process that is

undergoing now, before it is too late, before they make an agreement on the next stage, and I think while it is at the early stage we need to stop everything - make a halt to it."



Banabans on Rabi island protesting against relocation due to phosphate mining. Photo: International Center for Advocates Against Discrimination (ICAAD)



Rabi Island Photo: Supplied

RNZ Pacific had contacted Karutake for comment following Taratai's concerns but he did not respond. In a recent [Facebook post](#) however, Karutake said the proposal had now been "put on hold" and that he would "discuss with the community" upon his return from Tarawa, Kiribati. The response from the Banaban community towards Centrex's exploration proposal and Karutake's letter has been met with fierce opposition. Taratai said the situation was worrying. "This is a great concern for us," he said. "We are crying out to our community in the South Pacific, in Rabi, Kiribati and Banaba that we should hold hands and unite - for the benefit of the people." The Banabans of today said the [grief and trauma from the phosphate mining projects during the early 1900s](#) is still present among their community. The decades-long extractive practice resulted in mass relocation of Banabans to Fiji's Rabi island in 1945.

In an [online petition](#), the authors stated the proposal by Centrex to re-mine Banaba "is not the answer" as it further puts their lands, seas, identities and dignity at stake. Speaking to RNZ Pacific,

Mencel said Centrex's approach was much different than what was carried out in Banaba from the previous century. "We are a publicly listed company, we operate to the highest standards, we will only operate in an area where we are welcomed," he said. Mencel said Centrex engaged solely with the Rabi Council of Leaders in the past four years before the request for exploration was approved. He said he was aware that the proposal had been put on hold, however when asked if the project would completely stop if there was a revocation, he said the matter lay with the council. "You obviously can't go ahead unless you've got the Rabi council leaders who are responsible for the administration of Banaba's permission."

When asked if that had been put into writing, Mencel maintained his stance. "We wouldn't want to be there if we were not welcomed," he said. "The Rabi council is the representative body and that's who we're dealing with." In an interview with [The Market Herald](#) Mencel said Banaba had a "chequered history of mining and exploitation and were naturally concerned" when they were first approached. RNZ Pacific asked Mencel twice if he thought about Centrex possibly 're-exploiting and re-traumatising' the Banaban community, he said this particular development would be beneficial for landowners. "We believe that we would only operate in that area once we fully informed everyone about what we intended to do and the benefits and then allow them to make that decision," he said. "We believe really that this is a situation where it's good for, or potentially good for, the traditional landowners and that we can rehabilitate previously disturbed areas that should have been rehabilitated earlier and give them a landscape that they can utilise." Mencel said the Kiribati government was well aware of the proposal but were yet to issue an exploration license until there was a definitive decision from the Rabi council.

Norway moves to open its waters to deep-sea mining

By Gwladys Fouche and Nerijus Adomaitis, REUTERS, June 20, 2023



Floating ice is seen during the expedition of the Greenpeace's Arctic Sunrise ship at the Arctic Ocean, September 14, 2020. REUTERS/Natalie Thomas/File Photo [Acquire Licensing Rights](#)

- Summary
- Area close to size of UK and Ireland
- Study found signs of copper, rare earths
- Greenpeace says move 'a new low' for Norway

OSLO, June 20 (Reuters) - The Norwegian government on Tuesday proposed opening its waters to deep-sea mining despite opposition from green campaigners and some countries, as it seeks to shift from a reliance on hydrocarbons to new sources of economic activity. Norway, whose vast oil and gas reserves made it one of the world's wealthiest countries, has [taken](#) a leading role in the global

race to mine the ocean floor for metals that are in high demand as countries transition away from fossil fuels. "We need minerals to succeed with the green transition," Oil and Energy Minister Terje Aasland said in a statement.

The areas to be opened are in the Greenland Sea, the Norwegian Sea and the Barents Sea and cover an area of some 280,000 square kilometres (108,000 square miles), slightly smaller than the United Kingdom and Ireland put together. From that total surface, licenses for smaller areas would be offered to exploration companies over time. The move is controversial with [conservationists](#), who warn that mining the ocean floor would threaten the biodiversity of vital ecosystems. France in January banned deep-sea mining in its waters, while Germany has called for a pause in the development of the industry. "This is a new low from the Norwegian government. They are continuing exploration for oil in the fragile Arctic and now opening up vast ocean areas for mining companies," Frode Pleym, head of Greenpeace Norway, told Reuters.

"Norway presents itself as green on the global scene but their actions say otherwise." The government has said it would open the areas responsibly. A Norwegian study [said in January](#) it had found a "substantial" amount of metals and minerals, ranging from copper to rare earth metals, including an estimated 38 million tonnes of copper, almost twice the volume mined globally each year. Parliament is set to debate the proposal in the autumn. The centre-left coalition rules in a minority but the proposal could pass with the support of some opposition parties. The largest one, the Conservatives, who initiated the process when they were in power, said it would "carefully consider" it. Reporting by Nerijus Adomaitis and Gwladys Fouche;