

**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 National: <https://www.thenational.com.pg/>

ABG looks to refine own gold through BRL, president says

National, 30 June 2023

THE Autonomous Bougainville Government (ABG) has set up a company to refine gold in Bougainville, says President Ishmael Toroama. “Bougainville currently has no large scale mine operation since the closure of the Panguna mine but it is estimated that almost K200 million is generated annually from alluvial mining activities alone,” he said. Toroama said during the Bougainville House of Representatives Parliamentary sitting this week in Buka that the company – Bougainville Refinery Ltd (BRL) – in Bougainville’s former capital, Arawa, was good for the local economy. “The project is a joint venture between the ABG and the investor, BRL, under a 60/40 split shareholding agreement with the investor being the majority shareholder. “From the government’s 40 per cent stake in BRL, 10 per cent will be set aside to fund community projects through a special trust that can only be accessed jointly by BRL and the government.

He said the other 10 per cent would go towards setting up a sovereign wealth fund for Bougainville while the remaining 20 per cent will go directly into Bougainville’s internal revenue. Toroama said

having a refinery at the doorstep of the alluvial miners would ensure the government directly taps into the lucrative industry and offer competitive prices to the small-scale miners while generating revenue for the government. “It is my vision for every ounce of the gold that is mined on Bougainville from small-scale miners to large scale operations to be refined on Bougainville before it is sold in international markets,” he said. “Downstream processing of all raw materials from the extractive industry, including, the agricultural industry should happen on Bougainville instead of exporting our raw gold, cocoa, vanilla and copra overseas. “We must begin a new era of sustainably developing and harnessing the potential of our resources to generate revenue that would directly impact and transform the lives of our people.”

K92 mine suspends operations

National, 30 June 2023

THE K92 Mining Inc has suspended its operations in Eastern Highlands after two workers died in an incident involving a vehicle on the underground main incline on Wednesday, says chief executive officer and director John Lewins. “Mining operations have been suspended while an investigation is going on,” he said. “Other activities, including processing stockpiles, have not been impacted. “On behalf of K92 Mining, we extend our deepest sympathies, heartfelt thoughts and prayers to the family, friends, and co-workers of our two colleagues during this exceptionally difficult period. “K92 Mining Inc deeply regrets to report that two individuals have been fatally injured. “The mine’s emergency services responded to the incident, the appropriate authorities have been notified and a thorough investigation is underway.”

Lewins said the mine was working with employees, contractors and families of the deceased “to provide the required support and counselling needed during this challenging and difficult time.” “K92 puts the utmost focus on safety and industry best practices,” he added. K92 Mining Inc is engaged in the production of gold, copper and silver at the Kainantu gold mine, including exploration and development of mineral deposits. The company declared commercial production from Kainantu in February 2018 and is in a strong financial position. A maiden resource estimate on the Blue Lake porphyry project was completed last August. The mine is operated by a team of mining company professionals.

Women leaders want probe into foreigners in Kiunga

National, 30 June 2023

WOMEN leaders in Western have called on the Government to investigate foreigners operating businesses, living and working in Kiunga township. Betty Wine, a women and children’s representative in the Fly River Provincial Government, had made the call following allegations of sexual abuse and increased unwanted pregnancies involving young local women in Kiunga. Wine, who is also a member of the provincial executive council representing the health sector, said that there was a rise in illegal activities including prostitution and pornography, allegedly involving expatriates and people from other provinces working and living there. “As a woman leader, I tried to report these ongoing illegal activities but I have been discriminated against and called names.

“Foreigners should not be allowed to continue living in our country, especially when they are breaking the laws by abusing our young girls. “We had a case of a young girl, 15, who died at the Kiunga hospital recently while trying to give birth and there were many such cases of under-aged pregnancies. “I tried to report these things but I get harassed as a result. “I am exercising my right as a leader, speaking on behalf of my people to expose these things but I have been suppressed. “I am calling on the relevant authorities to step in and investigate these illegal activities and deport these

people,” Wine said. She said these issues had been going on for a long time and despite them being reported to police, nothing had been done.

“Even the police are taking sides with the people involved and have tried to harass me and the other women leaders for speaking out. “I am calling on the police hierarchy to discipline these policemen and women. “We believe that the police are taking bribes from those involved because they do not listen to our side of the story. “Our society is deteriorating, there is no moral ethics and our people are suffering, something has to be done. “That is why we are raising these issues in the hope that the relevant government agencies could address them,” Wine said. Another woman leader, Rita Ketweng – a representative of the Kiunga Urban local level government – said that a lot of young girls were involved with older working-class men, resulting in increased unwanted pregnancies.

Secure electricity mine: LOs

National, 30 June 2023

GAS to electricity landowners of Hela are calling on the State and New Porgera stakeholders to secure the electricity mine as they progress towards the mine re-opening. Landowner representative, Alfred Nelson Andapanga said yesterday the entire high voltage power lines and 214 power pylons from Nongoli Hides PDL 1 to Porgera was trespassing customary land which placed them at great risk since the Porgera SML 1 expired and all forms of payment for use of the land ceased. Andapanga said following an April 2021 invitation by the Kumul Mineral Holdings Ltd to landowners to organise themselves into a proper corporate entity to deal with the gas to electricity business, landowning tribes along the power line corridor have formed the Trans Provincial Corporation Ltd (TPCL) as a holding company.

Further landowners have formed into four companies representing the various landowners along the power-line corridor calling themselves TPCL 1 — being the Hides land owning group, TPCL 2 & TPCL 3 — being the Hayapuga and Tagali local level governments and TPCL 3 being the Porgera-Paiela group. Andapanga, who has taken this corporate structure and amplified it on the ground through awareness, is anxious that the landowners be included in early talks leading up to mine re-opening. “Barrick, New Porgera, Kumul and State must come back to TPCL to formalise a sale and purchase agreement,” Andapanga said. “They must not wait to the 11th hour. They must secure the mine by getting the gas to electricity landowners on side.

“We have done our ground work. Porgera mine is here to stay. We will give the guarantee of uninterrupted power supply by taking gas to electricity ownership. “Barrick knows the cost of one felled pylon. It must insist with the other stakeholders that project security is secured. It is important. “We are ready but we do not want last minute deals or new parties coming in at the last minute. “Right now the gas to electricity infrastructure such as the power pylons and high voltage lines are trespassing customary land. They are at risk.” Under Clause 10 of the Framework Agreement, securing a contract for long term supply of gas from the Hides power plant is one of eight conditions to be fulfilled before mine re-opening.

PNG’s first onshore oil recycling plant soon to launch, help industry

By GLORIA BAUAI, National, 29 June 2023

PAPUA New Guinea’s first on-shore oil recycling plant is about to launch and open to domestic market, an official has confirmed. Allan Messenger, with Carbon Recycling PNG (CRP), said environment permit processes through the Conservation and Environment Protection Authority (Cepa) had taken 18 months to complete. Messenger said the plant, now fully permitted to Cepa

accreditation and international standards ISO14001, had been trialling and ensuring its processes over the last six months. Messenger said the K10 million-plus investment in a world-class facility and operation to recycle waste oil meant companies in PNG would not have to send their oil off shore. He explained the recycled oil would go through a complete process to become fuel which could then be used in ships, transport and other machinery at the benefit of a reduced fuel bill. Messenger said this recycled fuel could be burnt in diesel engines at a lower percentage – 50 per cent in the ships and about 10 per cent in cars and trucks.

“We’ve already processed 270,000 litres of oil so far which means the country does not have to import oil as diesel in,” he said. “The plant has a capability of 21 million litres per annum and a storage capacity of up to half a million litres. We have guaranteed to Cepa that if the demand is there, we’ll build another plant with the assigned specification anywhere in PNG.” Messenger said huge freight costs in shipping would be a problem for customers from coastal provinces. “We have a memorandum of agreement with Consort and Swire Group that if waste oil is moved on their vessel, they charge a set K1,000 per container rate as their contribution to improving the environment,” he added. “However, PNG Ports is charging us K6,000 to move that container across the wharf which is uneconomical. We need government support to reduce PNG Ports’ fees to make it not only environmentally but commercially viable.”

The local “resource curse”: missed opportunities in Porgera, PNG

By Andrew Anton Mako, DevPolicy Blog, 28 June 2023



(Clément Piment/Flickr)

According to the [“resource curse”](#) or [“paradox of plenty”](#), developing countries that strike it rich through the exploitation of natural resources tend to have a narrow economic base and experience low and volatile economic growth. Their citizens continue to experience hardship and poverty as resource rents are usually captured by political elites and unscrupulous actors through corruption and wastage. This blog is about the resource curse in action at a local level. It shows how revenue from Papua New Guinea’s Porgera goldmine failed to improve education outcomes for landowners despite the investments made from mine revenues. The Porgera goldmine in PNG’s Enga Province in the highlands opened in 1990. From the start, the mine owners invested royalties and tax credits in education infrastructure, scholarships and training.

Specifically, Porgera International School, a private school, was established in the mid-1990s for children from the special mining lease (SML) area and of the traditional landowners. Initially a primary school, its coverage was extended over time to Year 12. The school was also intended for the children of expatriate mine workers. A scholarship fund for the SML children (SML Children's Trust Fund) was also established, using 10% of the landowners' annual royalty payments from the mine. The goldmine also provided scholarships to tertiary institutions for non-SML children. From 1997, the Enga provincial government used part of its [K335 million revenues from the mine](#) on school fees and school infrastructure. (I benefitted from both Enga provincial school subsidies and Porgera goldmine scholarships from 1997 to 2007.)

Expatriate teachers were brought in to teach at the Porgera International School, but sending children to the school was expensive. Children from the SML area attended because their school fees were fully paid by the SML Children's Trust Fund. The rest of us (children from the district that was not part of the SML area) went to public primary and high schools and then onto public secondary schools in Wabag (the provincial capital of Enga). The public high school in the district was upgraded to a secondary school (Years 9 to 12) in 2016 so – unlike in the past when I had to travel four hours by road to Wabag to attend secondary school as a boarding student – children like me from the Porgera-Paiela district are now able to continue their secondary education at Porgera secondary school.

Some SML students were even sent to board at high schools in Australia after Year 6, fully funded by the SML Children's Trust Fund. SML area children were also sent to schools in the Philippines, as well as to many reputable (public and private) schools in major PNG towns such as Mt Hagen, Goroka, Lae and Port Moresby. However, these investments in the education of SML children didn't bear much fruit. Many children dropped out of school and few made it to colleges and universities, especially when compared with children from non-landowner families in the Porgera-Paiela district and Enga Province. It was a novel idea to invest in a private school and scholarship fund for the landowners' children. Things started off well, and with so much promise, but fell apart over the years.

Many parents and their children didn't take education seriously. The mine drastically changed landowners' lives in a very short span of time. They were living a traditional life (most with little or no education) and, within a few years of the mine's operation, they were receiving large, easy money in the form of royalties and other benefits from the goldmine. They felt little need to pay attention to their children's education, resulting in children dropping out or not making it beyond secondary school. For children at boarding schools, being away from home meant being out of reach of the parental discipline and guidance they needed to keep focused on their education.

The Porgera International School was beset with financial difficulties with the closure of the mine. Expatriate miners were reluctant to bring their families with them, preferring the fly-in fly-out model. Drops in enrolment, the departure of expatriate staff, and administrative difficulties preceded the closure of the school in 2020 following the closure of the goldmine. And tussles between mine owners Porgera Joint Venture and traditional landowners have led to the management of the SML Children's Trust Fund being transferred to the landowners. The trust fund's governance and accountability are wanting.

The SML children who didn't complete school are still living off royalties which are periodically paid by the mine. However, it is not necessarily an easy life. A large proportion of the royalties were withheld for many years due to in-fighting among the landowners for control of the funds. And when shared within each landowning clan, the money is now thinly spread because the [population of the SML area has increased dramatically](#) since 1990. And, of course, royalties dried up when the Porgera mine closed in April 2020.

It is instructive to compare the experience of the landowner families with others in Enga. It is well known in PNG that Engan students have benefitted greatly from provincial secondary and tertiary scholarships, and now disproportionately appear in PNG's educated elite. Landowner students have not similarly benefitted, even though the investment in their education has been much greater. This paradoxical result can only be explained by reference to a local resource curse, which has prevented landowner families from taking education seriously. The [increased equity stake of landowners](#) from 2.5% to over 10% once mine operations resume has again led to a focus on hand-outs. While the landowner families will benefit from increased funds, revenues will be spread ever more thinly across an increasing population and a continuing [influx of migrants will add to social tensions](#), further disrupting educational opportunities. The power of the local resource curse will remain. So, what can be done to ensure better education outcomes the second time round?

First, the SML Children's Trust Fund, including its management, must be reviewed and reformed with stringent control and accountability requirements. Importantly, an independent board of reputable individuals must be entrusted to oversee the governance of the trust fund. Second, landowner parents must take responsibility for their children's education, and provide discipline, instruction on the responsible use of money, and guidance on the value of hard work and education. Third, a merit-based scholarship award system should be considered for the SML Children's Trust Fund – this will ensure students put in the effort at school. Scholarships should be withdrawn from children who fail to achieve minimum grades. Fourth, a long-term development fund using proceeds from the mine should be established to fund, among other things, scholarships for SML children when the mine eventually ceases. The local resource curse can be broken in Porgera. But only if families learn the lesson that the benefits of mining are temporary, and the only sustainable way out of poverty is through education. *This is the second blog in a [two-part series](#).*

Mining in PNG: blessings, curse and lessons from the Porgera goldmine

By Andrew Anton Mako, DevPolicy Blog, 21 June 2023



Paiam town was built for the Porgera goldmine community ([Kamaini.wane/Wikimedia Commons](#))

Blessings

The Porgera goldmine in Enga Province offered so much promise when it began production in 1990 – a modern way of life and improved living standards for the landowners and surrounding communities, with access to modern health, education, and other social services. Before the closure of the mine in April 2020, it had [produced 16 million ounces of gold](#) and [earned over K4 billion](#) for the

national government. Over its 30 years, it created employment and contracts, other spin-off businesses and infrastructure projects, and scholarships to landowners and other PNG students. (I was a recipient of such a scholarship from 2005 to 2007 at the University of Papua New Guinea. As a result of the mine, the lives of the people of Porgera changed dramatically within a generation, from traditional community to urban-based life.

A new township was built with a modern hospital, a new high school (which I attended), and an international school for children of the Special Mining Lease (SML) area. Business thrived. The local landowners (people from the SML area) had access to large, new wealth in various forms of proceeds (cash and other spin-off benefits) from the goldmine. The government set up a special purpose government authority, Porgera Development Authority, to finance the development needs of Porgera-Paiela district, with regular funding from Porgera mine royalties. Over its lifetime, the mine also provided K335 million to the provincial government, which funded critical development projects as well as school fees for Enga children, enabling the province to emerge as a modern province from the development backwaters before the mine began. The mine was a blessing, or so it seemed.

Curse

People from all over the country have settled in Porgera, resulting in a [population increase in the district](#) from 4,000 to over 70,000 now. This has created tensions, which have led to fierce fighting. This preceded but has been worsened by the mine closure, with the current [ongoing fighting leading to many deaths](#), and destruction of much property. The once peaceful [mining township is now dangerous](#) and unsafe, even with the presence of reinforced military and police. The three decades of mining have led to significant environmental degradation. Much of the land on the fringes of the mine is unfit for human settlement and farming due to landslips caused by dumping of waste rocks. The relocation of landowners who still live on the edges of the mine has been hindered, among other things, by population increase and complicated kinship ties.

Because of a lack of arable land for farming, and lack of proper financial literacy, the landowners became dependent on the regular royalty and compensation payments from the mine. The population increase over time also meant each landowner received less money. These payments have now ceased with the mine closure, as well as due to ongoing disputes between landowner factions. Thousands are facing financial hardship, and are being thrown into poverty, as the mine closure prolongs. Only a handful of SML children have been able to make it to universities or colleges, even though a scholarship fund (SML Children Trust Fund) and a modern international school were established to benefit the children of the landowners.

Apart from a couple of landowner companies which are controlled by a handful of people (and could be better managed), not many SML people own businesses in Porgera, or have invested in other business ventures outside of Porgera, even though the mine set up a business development office to support local entrepreneurship. Most of the small businesses, such as trade stores and contractors to the mine, have all but ceased during the three years since the mine closure. In-fighting among the landowners over many years for the control of mining benefits such as royalty payments has perpetuated the suffering of the poor majority, who bear the brunt of the evils of missed opportunities of mining in PNG. The [money paid to the Porgera Development Authority](#) has all but disappeared, with no developmental trace in the Porgera-Paiela district, leaving Kolombi/Paiela in a shambles of [rural decay](#).

Lessons

The [new Porgera deal](#) offers an important opportunity to right the wrongs of the past in the estimated 20-year life of the mine when it restarts. The [government has secured a 51% equity stake](#) in the mine for PNG stakeholders, which includes a 10% free-carry equity for Porgera landowners. At current gold prices, PNG stakeholders would receive US\$7.3 billion (K25.2 billion), with an

estimated K2.5 billion to landowners for 20 years. However, the national [government will not receive any dividends](#) for ten years, as the money will be used for care and maintenance costs incurred during the closure period. Some lament that a similar or [better deal could have been achieved](#) without shutting down the mine. The bigger problem though is that the negotiations have focused only on getting a bigger share for various stakeholders. Without better local governance, increased funds will just mean increased wastage. The following are important lessons going forward for the new Porgera mine, and for the resource sector in PNG more generally.

- All stakeholders, especially the people and the government, must be made aware that the minerals will run out eventually, and plans must be drawn up accordingly.
- School education (for both SML and other surrounding communities) should be given prominence to ensure children continue with education past high school. An educated population will drive the development of the Porgera-Paiela district and its people after the eventual closure of the mine. The same goes for PNG more broadly.
- Landowners must be taught financial literacy skills, so that they can invest some of the mine proceeds in sustainable living ventures rather than consuming them all.
- Long-term funds should be considered for landowning communities to sustain important services such as health, education and infrastructure development after the closure of the mine. Such funds should be ring-fenced with stringent governance and legal mechanisms to prevent looting by unscrupulous actors.
- Issues of land ownership are complex in PNG, and require careful negotiation with all relevant stakeholders.

The 20-year life on the Porgera mine when it resumes will determine the future of the mine's landowners and the Porgera-Paiela district as a whole. If the mine's proceeds are once again squandered, it will be more of the same: environmental degradation, violence, population influx, corruption, disputes, and poverty. If, however, they are managed and invested carefully, a new day will dawn. *This is the first blog in a [two-part series](#).*

Resource owners query refusal to grant license

BY PETERSON TSERAHA, Post-Courier, 27 June 2023

Resource owners in the Eivo/Torau constituency area have now responded to the Autonomous Bougainville Government (ABG) and have questioned the government's decision on disallowing the granting of an exploration licence to Wyndale holdings and Paruparu Joint venture (PJV). As stated by President Ishmael Toroama, ABG will not allow foreign investors on Bougainville to breach its laws to exploit its people and resources. The Bougainville Executive Council (BEC) is the authority in the region that grants mineral exploration license applications upon advice from the Bougainville Mining Advisory Council. The first application was for a Mineral Exploration License over Eivo/Torau areas and the second was an application for an Artisanal Mining License over the Jaba middle tailings to lower tailings areas. For the Eivo/Torau areas the BEC made the decision to refuse to grant an exploration license to Paruparu Joint Venture Limited – a joint venture involving Wyndale and local company Karatapo Resources Limited.

President Toroama announced that the BEC has also endorsed the decision by Mining Minister Robin Wilson not to grant an Artisanal Mining License to Bakearoro Joint Venture Limited. The Bakearoro joint venture is between Wyndale and local company Bakearoro Investment Limited along the Java mid tailings to lower tailings areas. Wyndale is a private Australian company with links to Australian Nickolajs Zuks who claims to have been issued mining licenses by the ABG. Mr Toroama revealed the government's decisions were purely based on application of law, where the applicants failed to meet the requirements provided for under the Bougainville Mining Act

2015. He warned that the ABG will not entertain companies and individuals who use duplicitous means to exploit Bougainville's mineral resources. He further cautioned investors to be wary of being misled and that the ABG will not be held liable for losses incurred as a result of fraudulent misrepresentations.

Meantime, land and resources owners from the hinterlands of Eivo-Torau constituency are working to unite, in order to avoid foreign interests dividing them over the rich minerals and other resources they host. Over 30-years since the Bougainville conflict, many foreign mineral investors are making their way into Bougainville to cash in on the mineral-rich autonomous island region of Papua New Guinea. Most of these investors and developers are Australians. An area of interest of late is the hinterlands of Eivo-Torau constituency of Central Bougainville, adjacent to the defunct multi-billion-kina Panguna Copper Mine. This area, known as EL-07 Karato-Mainoki-Kopani tenement area, has been the focus of at least four different prospecting foreign minerals explorers, all of which are keen and have been vying for a government nod, or approval to get in. The tenement area covers more than 260km² and spans across the Crown Prince Range covering the Paruparu area in the hinterlands of Eivo-Torau and flows across the west coast of Bougainville into Torokina constituency, Rau constituency towards the east and Suir constituency towards north.

The leading joint-venture company is the Paruparu Joint Venture Limited – collaboration between the local Karatapo Resources Limited and Australian investor Wyndale Investment Limited, which has been recently turned down an exploration license by the ABG to scour the area. Noting that the company had been rejected a license for what the ABG says is 'a lack of compliance with the law', the PJV, has realised the need to unite the Eivo people under a theme known as the 'Eivo-for-Eivo' and to work for unity among the different sections of people aligned with the different interested foreign investors. The PJV is hoping to put forward its grievances to the government, over a Bougainville Executive Council decision that had refused granting of an exploration license into its prospects, alleging foul play and a conflict of interest, within the government bureaucracy, especially, the Department of Energy and Minerals Resources over its forfeiture in acquiring the license.

In a first-of-its-kind meeting of the Eivo people in Arawa Town yesterday, supporters of the different foreign investors gathered to highlight the need to remain united, and not to allow foreign investment interests to dictate and divide them as a people, who have been resilient over many years of challenges of access into the outside world, and for a people who have longed for service and development into their extremely remote area for so long. The leading investor in the area by far, is Wyndale Investment, associated with Australian Nick Zuks, which has recently incorporated the Paruparu Joint Venture Limited with local company the Karatapo Resources Limited. The joint venture has championed a string of community development projects in the area, the biggest of which is developing a road link worth more than K20m, started last year leading from Jaba Valley in the Ioro constituency into Paruparu – a project with high hopes to opening up the Eivo and much of the west coast areas to the outside world, but has now struck an abrupt end with the BEC decision to hold back against granting the joint venture an exploration license.

The 'Eivo-for-Eivo' meeting was to get the different factions of investor-aligned locals to find a common ground to merge their interests into a single local entity, or to similarly call on their various investors to do the same so that the people's union can continue to be maintained, while at the same time, benefiting from their long hopes and dreams for services and development under an agreed investor or a single joint venture of the different investors. There's already a string of physical and bloodied evidence, in the region, of what the lack of proper consultation and collaboration between the different development stakeholders can end up with, and the Eivo people are doing their best to steer clear of all these and to attempt to set an example for the rest of the region through what they are hoping to achieve.

Marape happy with Barrick's decision to pay base tax

National, 26 June 2023



PRIME Minister James Marape on Thursday commended Barrick Niugini Ltd for agreeing to pay the base tax that has been an outstanding issue for some time. Marape also praised Barrick for its steadfastness in re-opening the mine and open-mindedness in its negotiations with the national Government on revenue and cost sharing. “I want to commend Barrick and Internal Revenue Commission for finding an amicable solution and for Barrick to pay the principle of what is owed as I appreciate the effort to resolve tax issue that has been outstanding for Special Mining List One,” Marape said. “I also thank Barrick for carrying the cost of care and maintenance of the mine as well as paying for costs of the mine start-up with no immediate burden on State parties for its 51 per cent stake in New Porgera.

“Because of Barrick’s strong partnership with Papua New Guinea, the Government or our mining company Kumul Minerals Holdings Ltd (KMHL) have not been required to borrow money to restart the mine, as Barrick has taken onboard the full costs of starting up New Porgera. “This means landowners, Enga government and the State are winners from day one, while KMHL and Barrick work on recovering the money that has gone into care and maintenance and the reopening of the mine.” Marape noted that the developer had recruited over 1,500 staff to prepare the mine for reopening, while preparations were taking place for the final lot of consultations preceding the restart to take place. “I am pleased to note that we are coming to the final round in the opening of New Porgera,” he said.

“Barrick has recruited over 1,500 staff to prepare the mine for reopening. “Early next month, we will be having a security and a landowners’ consultation forum so that we are on one page. “We are working to meet all statutory requirements of landowners in all impact areas as far as the Mining Act is concerned. For New Porgera, we will do better. We will focus on resettlement and making sure that there are minimal environmental costs. “We will resettle properly; tidy Porgera Valley; rebuild the police and restore law and order presence on the ground; support vocational schools in Porgera Valley and Enga to prepare young people to continue working the mine and participating in the spin-offs.”

Marape said according to sources, first gold should be out by the third quarter of this year if all things go according to schedule. “I want to inform everyone that I have received indication that in the third quarter of this year, if all things go as scheduled, we should expect first gold to be

processed in Porgera,” he added. He said New Porgera would be employing over 3,000 people and would provide spin-offs. “This is a big benefit to the country, not just in terms of royalty, equity and tax, but also in Mark Bristow’s personal commitment and Barrick’s commitment that they will ramp up on local content and more of the spin-offs to benefit our local economy rather than exporting spin-offs to other countries.”

Sir Julius pushes resource ownership and autonomy

BY JEFFERY ELAPA, Post-Courier, 23 June 2023

THE resource project benefits in the country have failed to improve the lives of ordinary Papua New Guineans, New Ireland Governor Sir Julius Chan says. He said this is because the Mining Act of 1992 states and the Oil and Gas Act of 1998 states that the mineral resources and oil and gas reserves in the ground belongs to the State. Therefore, Sir Julius will be introducing the Mining (Amendment) Bill 2023, a bill that proposes that the ownership of minerals, oil and gas be transferred to the people who own the land. He said: “According to Percy Chatterton, a member of the House of Assembly, The principle of State ownership is a figment of the imagination. No such principle exists. Under the common law of England, we are told minerals belong to the owner of the land under which they are found. State ownership of minerals violates both traditional PNG Law and British common law”.

Sir Julius agreed that the state has stolen the people’s resources, gives it away to foreign companies and then buys it back at exorbitant prices. “The state cedes exploration and production rights to foreign companies for next to nothing. Insignificant license fees are charged, often as little as K10, 000 and royalties of 2 per cent are levied,” Sir J said. “But for this pittance the foreign developer gets full control of all the wealth that can be taken from the ground. When a Mining Lease is granted, the company is effectively given ownership of all the minerals in the ground covered by the lease.” He said change in the resource law goes hand in hand with the introduction of the Autonomy law, empowering the Provinces to have greater control over their own resources.

The New Ireland and East New Britain Provincial governments have pursued autonomy of the highest kind for their provinces and this belief is captured in the East New Britain Palavat Document and the New Ireland Declaration, previously known as the Malagan Declaration, then Malagan Declaration Forward and the New Ireland Declaration. The Enga provincial government joined the two provinces recently. The concept of Autonomy envisaged by our three Provinces is about sharing of powers and functions between the National Government and the Provinces and to allow the provinces to raise their revenues and create wealth. Sir Julius presented this proposed bill to the students and the staff of the University of PNG recently. He was accompanied by deputy chairman of the New Ireland Autonomy Committee, Byron Chan, former ambassador and former People’s Progress Party president Sumasy Singin, consultant legislative counsel Kalu Yomilewa and legal adviser Dr John Kwimb.

Chamber applauds Porgera parties

National, 23 June 2023

THE PNG Chamber of Mines and Petroleum has commended the Internal Revenue Commission (IRC) and Barrick (Niugini) Limited (BNL) for settling all disputes and issues relating to old Porgera tax matters. This follows the announcement of a Deed of Settlement earlier this week, signed by IRC commissioner-general Sam Koim and Barrick chief operations officer Latin America and Asia-Pacific Mark Hill. Chamber president Anthony Smare said the development between the parties involved had brought the imminent reopening of Porgera one step closer. “Tax contributions

are an important aspect of the social licence for the operation of a project thus the chamber is pleased that both IRC and BNL have come to an understanding regarding the old Porgera tax disputes and related issues,” he said.

“Through constant dialogue, these issues have been resolved, thus allowing the parties involved in New Porgera to focus on other regulatory requirements. “The chamber looks forward to more favourable progress towards the reopening of this strategic resource project for the benefit of all stakeholders,” Hill said. He said Porgera remained an important project for the nation, in particular Enga and Highlands. Hill added that efforts towards reopening Porgera were welcomed, as all stakeholders could now also prepare to take advantage of the opportunities that would be on offer once the project was up and running.

Ok Tedi provides millions in FX

National, 23 June 2023



OK TEDI Mining Limited (OTML) has been providing an average of more than US\$600 million (about K2.3 billion) in foreign currency annually into the Papua New Guinea market, says chief executive officer Kedi Ilimbit. This is because the mine continues to bring in 100 per cent of its sales back into the country. Ilimbit said this year the company had already provided US\$272 million (about K962 million) into the PNG market as of June 20. He said in 2022 OTML sold US\$580 million (about K1.77 billion) in foreign exchange into the PNG economy and US\$674 (about K2.1 billion) in 2021. “OTML generates in excess of US\$1 billion (about K3.54 billion) in foreign currency for PNG annually,” he said. “The company uses approximately 35per cent of this to meet its own operational foreign currency requirements and the balance is sold to the commercial banks in PNG.”

He said OTML had never held its own foreign exchange needs for more than one or two months. Ilimbit added that OTML was compliant with the Central Bank’s regulations and would continue to submit monthly reports of the foreign exchange with regards to bank account balances, receipts and disbursements to the Central Bank for monitoring purposes. Meanwhile, iIimbit added that the mine was a PNG-owned company and would continue to provide support to the country’s economy through ration ship operations. The company has been operating in the region for 37 years and has made a significant contribution to development in Western through direct and indirect employment, royalties, compensation payments, and business opportunities for the local people.

Exploration incentive key: PM

National, 22 June 2023

THE Government will be announcing an incentive regime for ExxonMobil and those in the exploration space so the country can also benefit from exploration and not just construction dollars, says Prime Minister James Marape. He commended multinational oil and gas corporation – ExxonMobil – for continuing its exploration in Papua New Guinea over the last two years spending up to US\$300 million (about K1 billion). “From my discussions with ExxonMobil leadership in Houston, Texas, and my follow-up engagements, I am glad to see the company take up exploration again,” he said. “I commend them for investing between US\$200 million (about K722 million) and US\$300 million on exploration in the last two years. “They have been exploring in the southeastern Papuan fault belt area, and have indicated some good finds, which we will make sure are protected.”

Marape said the incentive would be good for the economy. “This is so that we not only earn construction dollars for the development of the fields, but we also have exploration dollars coming into our country,” he said. “Our Government will soon be announcing these incentives. “I want to commend ExxonMobil, the company has brought over US\$200 million into our country through exploration alone. “This was over the last two years when our economy needed it the most during the aftermath of the Coronavirus (Covid-19). “PNG might be the only one or two countries in the world where ExxonMobil has engaged in exploration. “I commend ExxonMobil leaders in Houston, Texas; Asia Pacific, and PNG for continuing to invest in our country.” Marape also wants companies within the oil and gas and mining sectors to go into exploration in the country. “I encourage TotalEnergies and partners to move into this space beyond just the development phase of the Papuan LNG.

Miner denies spillage claim

Post-Courier, 21 June 2023

Madang-based miner, Ramu NiCo Management (MCC) Limited, says no slurry spillage flowed out of its refinery or into the sea at Basamuk. Country manager Assik Tommy Tomscoll yesterday admitted that there was an incident at the Basamuk refinery where a pressure pipe busted last month. Tomscoll added that the slurry spillage occurred inside the precinct of the refinery, there was no fatality at the mine,” he said. “The slurry spill was contained by catchment ponds (walls) designed and purpose-built to contain such spillage inside the refinery when it occurred.” “Therefore, there was no contamination of the environment, no contamination of the sea. “There was no detectable contamination of the biodiversity and ecosystems that would affect animal and marine life and human activities within and around the Basamuk refinery. “The pipe was fixed, and the refinery operates normally without further hiccups.

“The Mineral Resource Authority (MRA) investigated and cleared the company of any wrong from this workplace accident.” Tomscoll was reacting to concerns raised by Rai Coast MP Kessy Sawang in Parliament this month. Sawang asked Government to sanction an investigation into the possible environmental pollution by the miner. She also told Parliament about a family from her electorate who lost two members recently after consuming fish caught from the bay. Tomscoll yesterday said: “The death of some local people near the refinery site is an isolated incident. “It is unfortunate and is neither related nor caused by the incident that occurred inside the refinery on May 12. “The company is aware that local authorities had initially carried out an investigation. “From this investigation it is understood that these persons ate puffer fish (box fish), a poisonous fish resulting in the deaths.”

Suche nach seltenen Erden Norwegen will Meeresboden für Tiefseebergbau freigeben

Die fragliche Fläche ist so groß wie halb Frankreich: Die norwegische Regierung will vor ihrer Küste einen gigantischen Rohstoffschatz bergen – und damit unabhängiger von China werden. Umweltschützer sind entsetzt. Spiegel Online, 21.06.2023, 08.27 Uhr

Umweltschützer zeigen sich empört: [Norwegen](#) will einen großen Teil seines Meeresbodens für den Abbau von Mineralien freigeben. »Wir brauchen Mineralien, um die Energiewende erfolgreich zu gestalten«, verteidigte der sozialdemokratische Energieminister Terje Aasland das Vorhaben am Dienstag. Konkret geht es laut der Wirtschaftszeitung »[Dagens Næringsliv](#) um ein Gebiet von 281.200 Quadratkilometern – das entspricht etwa der halben Fläche Frankreichs – in der Barentssee und der Grönlandsee. Innerhalb des zu erschließenden Gebietes sollen demnach kleinere Gebiete abgetrennt werden, die für die Erkundung durch kommerzielle Unternehmen ausgeschrieben werden sollen.

Am Meeresboden des norwegischen Festlandssockels werden große Vorkommen an Mineralen vermutet, darunter Seltene Erden. Erst vor wenigen Monaten hatte eine Studie der norwegischen Erdöl-Direktion große Mengen an wertvollen Rohstoffen [am Meeresboden des skandinavischen Landes ausgemacht](#), darunter seltene Erden, Kupfer und Kobalt. Schweden wiederum hatte zuletzt ebenfalls den Fund zahlreicher seltener Erden gemeldet – an Land, [nahe den Eisenerzminen von Kiruna](#) .

JX Nippon focuses on projects

By NATHAN WOTI, National, 20 June 2023

JAPANESE oil and gas exploration company JX Nippon is focused on continuing its investment in the country, especially in the petroleum and energy space. The firm's chief executive officer Toshiya Nakahara said the firm entered Papua New Guinea in 1990 and was involved in oil projects in Kutubu, Moran and Gobe in Southern Highlands and currently in the PNG LNG project. "JX still has projects which would be developed (Papua LNG, P'nyang and Muruk), so JX currently focuses on such projects," he said. "We advocate in a two-pronged approach focusing on the oil and natural gas development and production business as the fundamental business but another prong is the environment-friendly business centred one on carbon capture storage and carbon capture utilisation and storage (CCS/CCUS) as the growth business which we are looking at and want to invest in."

Nakahara added that the company was involved in a range of oil and natural gas exploration projects in eight countries and JX Nippon recently started implementing a CO₂-EOR (enhanced oil recovery) project as a form of CCUS to address global warming. CO₂-EOR is the process of injecting carbon dioxide (CO₂) into existing oil fields is a well-known EOR technique. The addition of CO₂ increases the overall pressure of an oil reservoir, forcing the oil towards production wells. Nakahara said through this project they aimed to increase oil production while greatly reducing the amount of CO₂ that was released into the atmosphere.

Meanwhile, Nakahara said the firm had operated a major commercial project in the United States that captures CO₂ released from a coal-fired power stations' flue gas and injected it into an oil field. Based on the success in PNG, the oil and gas exploration company was planning to conduct joint studies with Indonesia, Malaysia and other oil-producing countries that would help their company to build stronger relationships and acquire new business. JX Nippon told *The National* that they would not reveal the monetary value of their shares in the gas project in the country due to confidentiality reasons.

Sawang wants probe into suspected mine pollution

The National, 19 June 2023

RAI Coast MP Kessy Sawang has asked the Government to sanction an investigation into possible environmental pollution from a mine in Madang. Sawang told Parliament on Thursday that an accident had happened at the Basamuk refinery on May 11. She asked Mining Minister Sir Ano Pala if he was aware and what his department had done about it. She also raised another concern regarding deaths which occurred recently after a family in her electorate consumed fish caught in the bay. “After eating fish caught in the bay, the mother and her 11-year-old daughter, bled from mouth and nose and died instantly,” she said. “I’d like the Government to investigate as we believe it is from the acidic slurry leaked into the environment.” Sir Ano said he did not have details on the matter being raised and he would consult the Conservation and Environment Protection Authority.

Ministerial determination for PDL 9 in order, says dept

June 19, 2023, The National Business



THE current ministerial determination for petroleum development Licence (PDL 9) is in order and sets the next step toward the release of landowner benefits, says Petroleum secretary David Manau. Manau said this following a statement by PDL 9 (Juha) landowners last week calling for the ministerial determination gazettal of May 19 to be withdrawn. Manau said the landowner beneficiary identification (clan vetting) was completed in 2014 but was not gazetted because Juha landowners “on the Hela side had so many differences among themselves.” “Appeal for a judicial (hearing) within 28 days is allowed if some people are not satisfied,” he said. “Even though the department spent so much state funds between 2013 and 2014 just to organise logistics and manpower to travel into remote areas and verify reports and do clan vetting. “The ministerial determination was not published.

“Over a period of eight years our officers have had meetings, consultations and have been working with clan leaders to complete this work.” Juha gas field in PDL 9 is part of the greater PNG LNG phased development. Juha gas field will be developed in phase five (2024) of the phased PNG LNG development. Currently, this gas field is not producing. PDL 9 is on the border of Western and Hela. The landowners say the gazetted ministerial determinations by Minister Kerenga Kua and his secretary and the department should be immediately withdrawn because it was a blatant disregard of

proper process in vetting the true landowners affected and included in the project because it was done outside of the project site and signed by “paper landowners”.

Power crucial for Porgera

By PETER ESILA, June 19, 2023, The National Business

PNG is keen to see the Porgera mine re-open but a few crucial steps need to be observed before the all clear is given, according to the operator. Operating a gold mine such as Porgera in Enga requires a continuous, secure, reliable, and low-cost power supply, says operator Barrick Gold Corporation chief executive officer Mark Bristow. Bristow said the New Porgera Limited (NPL) was re-establishing the existing power generating facilities at Hides in Hela. He said a few other critical processes needed to be followed before the mine could be restarted.

Porgera has traditionally used gas-powered electricity as its energy source. The gas is purchased from PNG LNG project in Hides. Barrick has its own power plant that converts the gas to energy that is passed through transmission lines from Hides. Bristow said to secure the mid to long term power supply, a working group would be formed with relevant stakeholders which would meet in the near future and look at the various options available for the mine. He added that law and order was at an all-time low in the Porgera valley.

“This impacts everyone – landowners, communities and business,” he said. “We echo the call of Porgeran leaders for urgent government intervention led by the PNG Defence Force to support restart of Porgera mine.” “NPL is 51 per cent owned by PNG parties and ongoing law and order issues will certainly affect our ability to operate and generate economic returns for all stakeholders.” Barrick Niugini Ltd (BNL) owns 49 per cent of NPL. BNL is a joint venture between Barrick and its partner, Zijin Mining Group. Consequently, Barrick and Zijin each have a 24.5 per cent indirect interest in the new Porgera project through BNL, which is managed by Barrick.

The understanding, cooperation and support of all stakeholders is required to ensure that the reopening of the Porgera mine occurs in an efficient and timely manner for everyone’s benefit including the landowners and people of Porgera,” Bristow said. He said while Porgera gold mine was not a new project and everyone was keen to see it reopen as soon as possible there were still a number of important steps that must occur before the mine could be restarted. He said while the filing of the new special mining lease (SML) application by NPL last week was a significant milestone. Other key steps would be:

- ENVIRONMENT permits for the Porgera mine must be transferred from Barrick Niugini Ltd to NPL in accordance with the Environment Act 2000;
- ASSESSMENT of NPL’s application for the SML must be completed in accordance with the requirements of the Mining Act;
- UNDER the Mining Act, a development forum must be convened by the Minister for Mining before the grant of a SML to consider the view of those persons who will be affected by the grant of the SML including NPL, Porgera landowners, National Government and provincial government;
- COMPENSATION agreements need to be reached with landowners or otherwise be determined in accordance with the Mining Act; and,
- REMAINING implementation agreements, including the mining development contract, need to be agreed to with the State.

“It is difficult to say with certainty how long these steps will take to complete,” Bristow said.

State enterprises allowed percentages of resource projects: Duma

June 15, 2023, The National Business

AS part of the mining legislation, State-owned enterprises (SOEs) can acquire certain percentages for proposed mining projects, says a minister. State Enterprises Minister William Duma said in Parliament yesterday that: “The mining legislations concessionary regime allows for SOEs like Kumul Minerals Holdings Ltd (KMHL) as well as Kumul Petroleum Holdings Ltd (KPHL) in the oil and gas sector, to obtain respective percentages in mining development projects around the country.” Duma said KMHL could acquire up to 30 per cent in mining ventures while KPHL in the oil and gas sector could acquire up to 22.5 per cent in any oil and gas project in the country.

Duma explained that Ok Tedi Mining Ltd (OTML) was the only 100 per cent PNG-owned mine in the country. For other mining projects in the country, notably K92, Lihir as well as the oil and gas project like the Papua Liquefied Natural Gas (LNG), the State owns concessionary percentages in those mining projects, however, Duma made a comparison with other countries in Asia, specifically Malaysia, whose government’s concessionary regime was at 100 per cent.

“An SOE can acquire up to 30 per cent in a proposed project after whoever company has the licence to explore has been able to make a discovery and establish that the resource in a particular area is enough to underpin a project, once we are satisfied that it is a project ready to go, then the State through KMHL would exercise its right to acquire up to 30 per cent in that project. That is in the case of the mining industry,” Duma said. “In the case of oil and gas industry, similar applies except whereas in mining, we have 30 per cent, in the oil and gas sector, it is 22.5 per cent.” Duma added that KMHL and KPHL could also go into exploration as well by going through the normal processes of applying for licences.

Late LO group boss ‘pushed’ for review

By KERRIANNE SIROMARE, June 15, 2023, The National Business

A MEMORANDUM of agreement (MoA) between the Hidden Valley mine operator, State and landowners must be reviewed, this was the wish of Nakuwi Landowner Association president Rex Mauri before his passing on Monday. A recording obtained by this paper of his meeting with Mineral Resources Authority (MRA) officials on Friday has Mauri stressing the need for the MoA to be reviewed. “We have been kicked around like a football, the Government has not reviewed the MOA for the past five terms,” he said. Mauri said the Government had not served the best interests of the people and favoured the developer. He said the pending review had delayed landowners and the people of Bulolo from receiving the full benefits owed to them.

“Enough is enough, landowners are suffering,” he said. “The Government is helping the developer and not the people.” Mauri said their children had not received scholarship benefits, students had not benefitted from these scholarships and other obligations stipulated in the MoA. He said the mine was of no benefit to the people, adding that the agreement was “meaningless” if the terms were not honoured. He said the developer also needed to invest in local businesses, to ensure the circulation of wealth in the district and province. He said the people must benefit from local businesses if they can’t benefit from the terms of the MoA.

K50m for Wafi-Golpu opening, says Rosso

Post-Courier, June 14, 2023

The Deputy Prime Minister and Minister for Lands, Physical Planning & Urbanisation John Rosso has clarified that the K50 million recently given to the Morobe Provincial Government was for infrastructure development relating to Wafi-Golpu mine to prepare for the mine's opening. Mr Rosso said the money was an allocated funding under the 2023 National Budget for the Wafi-Golpu project area. He said this to dispel rumours that the money was paid to Morobe Governor Luther Wenge to get him to join Pangu Pati. "What a ludicrous claim by one Samson Komati, who continuously attempts to denigrate the work our government is doing," said Mr Rosso. "It has become glaringly obvious that Komati is being sponsored to purposely pen one attack after another.

"But he will not succeed because this government is on the right track of nation-building while his sponsors try every attempt to get themselves back into power. "Our good Governor of Morobe is no amateur. The Honorable Luther Wenge is a senior leader of the country who is never bought or sold, and Mr Komati better prepare to face him in court to prove that he was paid K50 million. "The K50 million is funding allocated under the 2023 National Budget for infrastructure development for the Wafi-Golpu Project area as the National and Morobe Provincial governments prepare the mine for its opening. "For our party in Morobe which is a stronghold of Pangu, Komati owes Governor Wenge and Pangu Pati an apology in the least."

Mine nearing reopening

By PETER ESILA, June 14, 2023, The National Main Stories

NEW Porgera Limited (NPL) has applied for a special mining lease (SML) and supporting tenements for the Porgera Gold Mine in Enga, a step closer towards reopening, says director Dr Ila Temu. Temu, who is also the Kumul Minerals Holdings Limited chairman, delivered the application papers to the Mineral Resources Authority (MRA) in Port Moresby yesterday along with the receipt of the application fee of K650,000. He said subject to regulatory process, the application would allow the Mining Minister to start the development forum. Prime Minister James Marape said in Parliament yesterday that about 2,000 workers were ready for work while Mining Minister Sir Ano Pala tasked the MRA to speed up with process for reopening within the next three months.

Temu said the lodgment of SML application was an important milestone for the reopening of the mine. He said the three months reopening date "is the optimistic side, we are looking at probably more at the end of the year as well." "This lodgment follows the approval and registration of the transfer of exploration licence 454 and SML 11 to NPL and the subsequent surrender of SML 11 and all ancillary tenements by NPL. "The application will now be subject to normal regulatory assessment process which will include the Mining Minister convening a development forum in accordance with the requirements of the Mining Act to canvas the views of stakeholders.

"NPL will work cooperatively with the MRA and other State agencies to enable them to complete the regulatory assessment process as soon as possible." Barrick Gold president and chief executive officer Dr Mark Bristow said the lodgment of the SML application was a big step forward on BNL's journey with the State to reopen the mine as true partners. "The parties are now focused on satisfying the remaining conditions under the New Porgera Commencement Agreement. In parallel, and in our role as operator of New Porgera, BNL is undertaking certain preparatory work on the processing plant with the support of the MRA and is building a committed team, the majority of whom will be Papua New Guineans.

We are moving even closer to enabling the people of Porgera Valley to finally see the ‘white smoke’ they have been waiting for,” Bristow said. NPL is a company owned jointly by Kumul Mineral Holdings Limited (which holds the equity on behalf of the State), BNL and Mineral Resources Enga Ltd, with a further 10 per cent of the equity reserved for PNG stakeholders. Over the life of mine, PNG shareholders will receive 53 per cent of Porgera’s overall economic benefits. BNL will receive the remaining 47 per cent. The proportion of equity and economic benefits that belong to the landowners is a first in PNG’s agreements with international investors.

Reopening delayed over tax issue, statutory requirements

By DANIEL EALEDONA, June 14, 2023, The National Business

AROUND 2,000 workers are ready for the reopening of the Porgera gold mine but they will have to wait until all the processes are cleared, says Prime Minister James Marape. Marape said in Parliament yesterday that all legal requirements, statutory obligations and the tax issue between the Internal Revenue Commission (IRC) and Barrick Nuigini Limited (BNL) were almost complete and the country was “a step away” from reopening Porgera. “Close to 2,000 workers in the mine are ramping up work to see the final process complete so production can finally open up,” he said. “New Porgera Limited will be in custody of the mine’s three important statutory documents which are the Special Mining Lease (SML), exploration licence and environmental permit.”

The prime minister said part of the delay in Porgera reopening was because of commercial negotiations between BNL, who were the holders of the Porgera exploration licence, and environmental permit. “These negotiations (and arrangements) have been completed and the new Porgera mine will run as a incorporated joint venture,” he said. “BNL has covered the cost of the mine’s care and maintenance over the last two years since its closure and the government did not cover any costs while the mine was in care mode. He also highlighted the issue of tax between IRC and BNL. “They are coming to final agreements and it will be timely with the other statutory requirements and legal obligations close to being completed.”

Marape said that the 15 per cent equity was still a stake for Porgera landowners (10 per cent) and the Enga provincial government (5 per cent) and dividends would still be paid to them when the mine was operational. Marape also responded to a questions raised by Menyamy MP Benjamin Philip on the Wafi-Golpu update and questions over PNG’s 57 per cent stake in the mining project. “Fifty-seven per cent is the rounded off forecasted net gain for Papua New Guinean beneficiaries from the Wafi-Golpu mine project as negotiated which includes tax collections, landowner royalties, the equity for the mine which is at 30 per cent, the Morobe provincial government will also expect 10 per cent.” Marape said that it would take up to three years for the Wafi-Golpu mine to begin its first stage of production.

Minister wants mine reopened

By PETER ESILA, June 14, 2023, The National Business

MINING Minister Sir Ano Pala wants to see the Porgera gold mine reopened within the next three months. Sir Ano said this after receiving the New Porgera Limited’s (NPL) application for a Special Mining Lease (SML) on Porgera and an associated proposal for development. “This marks a very special and important step in the regulatory process of reviving the old Porgera mine under the Porgera Project Commencement Agreement or PPCA,” he said. “The lodgment of the new Porgera SML application and the supporting tenements applications, commences the permitting process for which I now ask my regulator, the Mineral Resources Authority (MRA) to fast track this process so

that within the next three months, we can see the new Porgera mine up and running, to bring in the much needed services and benefits to the concerned parties and the affected people.”

Sir Ano stressed the importance of the project to the country and the intent of the Government to see the Porgera gold mine recommence production. He said under the PPCA, it was agreed that the underlying EL (exploration licence) 454 held by Barrick Niugini Ltd and Mineral Resources Enga had to be transferred to NPL. “Hence, the transfer of SML 11 from Kumul Minerals Holdings Ltd to NPL. These tenement were successfully transferred to NPL on May 22, 2023.” Sir Ano said since the closure of the old Porgera mine three years ago due to the Government’s refusal to grant an extension of the SML for the Porgera Joint Venture there had been negotiations and discussions and compromises until a deal amenable to all parties had been worked out. He said Prime Minister James Marape had been at the forefront of the push for a greater share of the benefits and this had finally been seen to fruition.

Landowners shocked by 16 ghost clans

BY JEFFREY ELAPA, Post-Courier, June 12, 2023

LANDOWNERS of the Juha PDL 9 project in the Hela Province have objected to the recent ministerial determination claiming 16 ghost clans were recognised. Chief landowner of the Miau clan from Yatemali village in the Koroba-Kopiago district Talu Harry claims 16 ghost clans were recognised as legitimate beneficiary clans on the final ministerial determination published by Minister for Petroleum and Energy Kerenga Kua. Mr Harry, representing the Miau and Feramu Kabiali clans of the Hiwa tribe in the Hela province said their clans missed out when 16 unknown clans were included on the Ministerial Determination. “We are shocked and surprised to see those purported 16 ghost clan names appearing as beneficiaries on the National Gazette issued by the Minister and published on the Newspapers in May 19, 2023,” he said.

Harry said during the clan vetting process in 2018, they opposed and objected to those false clans that appeared as clan beneficiaries but they are now listed as beneficiaries again. “The purpose of clan vetting is to foster trust and build relationships so that the project is delivered successfully without disturbances but that is not the case in Juha project. The whole vetting process is questionable and did not achieve its purpose. “The clan vetting process for the six major clans of the Hiwa tribe were never done properly as 20 clans appeared on the Gazettal Notice. The six legitimate landowning clans of the Hiwa Tribe in the North Koroba LLGs are Miau clan, Okoya Tangi clan, Koma clan, Feramu Kabiali clan, Pari Kuni Alu clan and Awi Mandi clan. “We ask the Minister to remove the 16 ghost clan and include Miau and Feramu Kabiali clans in the final list,” Harry said.

Another landowner group, the Muku Lepume clan from North Koroba has also objected to the Ministerial Determination published as their clan was omitted as beneficiary clan. Spokesman Handai Tumania said the Muku Lepume clan is a legitimate clan that should be part of the Lavani valley landowner beneficiaries but they were excluded and they called on the Department of Petroleum and Energy to reconsider them and include them as a beneficiary. The Secretary for the Department of Petroleum and Energy David Manau said the Juha landowner beneficiary clan listing has taken a very long time to finalise because of many internal clan issues, He said the department officers had consultation with them and the recent publication is the final list. He said any aggrieved clans or persons can seek a judicial review at the National Court within 28 days of the time of the publication and that is the only available option.

Villages affected by environmental impact of mine

BY FRANK RAI, Post-Courier, June 12, 2023



Five communities around the Simberi mine area in New Ireland Province were affected by environmental impacts allegedly caused by sediments buildup including acid rock drainage (ARD) since last month. Simberi Mining Area Association (SMAA), the landowner association for Simberi mine local landowners, claimed last week that there were reports of environmental impact at Botlu, Pikinur and Bekou, Talamuk, Munun villages with sediments coming from the mine and waste rock dumps through Peten and Lava Creeks. SMAA president Melchie Penge claimed that an unpermitted creation of a waste rock dump upstream Munun catchment allegedly encroached two creeks and caused severe environmental effects. He said the dam allegedly caved in on March 4, destroying food gardens, houses and causing environmental damages. He also claimed that Simberi mine was aware of the risk but nothing was done to mitigate the problem.

However, St Barbara Limited, the operator of Simberi mine said in a statement that Simberi Gold Company Limited continues to run operations to meet environment standards and denied that environmental damages. The company said it complied with environment obligations by monitoring and reporting to PNG government regulators. Meanwhile, Mr Penge said the dam did not only release water and sediment, but it also discharged ARD from the mine and waste rock dumps causing severe environmental impact on Munun Creek and Munun community. He said the sediment load leads to flooding and damage to food gardens, cash crops and properties. The president said the Botlu and Katatar villages are located outside St Barbara Mining Lease 136 area and were impacted by sediment and ARD runoff from the mine. He said sago and mangrove swamp near the coastline is now filled with sediment, and the trees have started to die.

BCL denies undermining Panguna moratorium

June 9, 2023, The National Business

BOUGAINVILLE Copper Ltd (BLC) is not disrespecting the Autonomous Bougainville Government (ABG) and the landowner processes through its community engagement and support programmes relating to the Panguna mine, says chairman Sir Melchior Togolo. Sir Melchior said this

following comments made by members of Central Bougainville's parliamentary committee Justin Borgia and Lynus Dakei Jnr which claimed BCL had violated the Tunuru Resolution relating to the agreement of clans and the ABG to work towards the mine's redevelopment. They claimed that BCL disrespected a 2018 mining moratorium put in place by the ABG over the Panguna mine area. Sir Melchior said it was beyond the authority of the committee to issue cease and desist directives. "BCL has always been consultative with respect to its activities, with the ABG and all key stakeholders, including the parliamentary committee," he said.

Sir Melchior said BCL as a local company had been constructively engaged in Bougainville since its return before 2016 after being invited by the ABG to reengage in Panguna. "We have worked in cooperation with the ABG and landowners in support of various activities and initiatives in areas such as education, vocational training, health, sport, culture, and we continue to do so. "Since 2016, BCL has forged a strong identity as a truly local company whereby the ABG and people of Bougainville own a 36.4 per cent stake which is set to grow to 72.8 per cent. This is a fact we proudly promote among the stakeholders we engage. "I am pleased to say we continue to enjoy very positive relations with a wide range of people, including landowners and members of Government." Sir Melchior said the company had not done anything to undermine the indefinite moratorium that the ABG had placed with respect to exploration and mining.

"We certainly respect the Bougainville Mining Act and have always worked within the parameters of that law," he said. "The moratorium is the prerogative of the ABG but separate to this there remains an unresolved issue with respect to BCL's exploration licence. Currently, BCL is working constructively with relevant ABG agencies to amicably resolve it." Sir Melchior said BCL, with its strong local ownership and a board of which five of seven directors were Bougainvillean, appeared to fit the criteria of a local company that many, including landowners, wanted to lead Panguna's future redevelopment. BCL will never pre-empt any decisions of the ABG regarding Panguna and will continue to work with Government to ensure outcomes are in the best interest of Bougainville."

Locals can mine own land: Minister

June 7, 2023, The National

LOCALS in Wau and Bulolo, Morobe, can go into alluvial mining activities on their customary land, Mining Minister Sir Ano Pala says. Sir Ano said this in response to questions raised by Wau-Waria MP Marsh Narewec. Narewec said locals were not able to get leases to conduct their small-scale mining activities because a company had been issued an exploration licence for the area. He said gold had been found in Wau-Bulolo almost a century ago and had been extracted mostly by foreigners over the years. He said locals from Wau and Bulolo were trying to get involved in alluvial mining but acquiring leases to mine in the area was difficult. "In the last session, I spoke out against the exploration licences being given to a third parties to explore land," he said.

Project developer mindful of environment

June 7, 2023, The National Business

THE Papua Liquefied Natural Gas (LNG) project developer says it is mindful of the Kikori Delta Important Marine Mammal Area. TotalEnergies Exploration and Production PNG Ltd public affairs manager Richard Kassman acknowledged the nominated United Nations Educational, Scientific and Cultural Organisations (Unesco) World Heritage Site which he said laid northwest of the footprint area. The Delta was selected as an Imma following sightings of two inshore dolphin species and dugong. "It was actually the crater mountain that was classified and that was located northwest of our footprint, which we're very cognizant of," he said. Kassman said generally, the project had been

environment-friendly focused, taking on decisions with minimal impact to preserve the rich biodiversity and cultures.

He said furthermore, the company understood the importance and impact of climate change and the need to mitigate and minimize; part of which was the no-resettlement approach which meant the pipeline would avoid gardens, sago, and not move houses. Additionally, LNG project director Emmanuel Hyst said they had partnered with PNG Forest Authority for a modern nursery with the capacity to produce up to 500,000 seedlings yearly. Hyst said as part of their reforestation programme, tree nursery was important to replace vegetation along its footprint area after clearing and tree felling. “This project for TotalEnergies has to be exemplary, both social and environmental,” he said. Hyst said the project Environment Impact Study was completed and given to the Conservation and Environment Protection Authority while it prepares to do a roadshow process as part of the regulatory requirement.

Total to sell 2.8pc stake

By NATHAN WOTI, June 7, 2023, The National Business

TOTALENERGIES has agreed to sell a 2.8 per cent stake in Papua LNG to Japanese firm JX Nippon Oil and Gas Exploration. The French multi-national, one of the world’s leading liquefied natural gas (LNG) producers, sold a small stake to JX Nippon in the planned Papua LNG export project. JX Nippon did not disclose the price of the deal as the transaction was pending approval by the Department of Petroleum and Energy. Japanese Embassy economic councillor Isono Satoshi commended the business attitude of JX Nippon and other Japanese companies in Papua New Guinea because Japan was the largest importer of gas from the country since 2014 when LNG shipments from Port Moresby began. “Roughly half of LNG from PNG had been shipped to Japan consistently,” he said. “It is of mutual benefit for both PNG and Japan that a reliable Japanese company was fully involved in the new LNG project.

“In other words, participation by JX is an important step to a win-win situation for both PNG and Japan, where the former is seeking stable export destinations and the latter is seeking stable suppliers of energy,” he said. Satoshi said that energy security was one of the main topics which was discussed between the Japanese Prime Minister Fumio Kishida and Prime Minister James Marape last year. Satoshi said the JX’s acquisition of an operating stake was a practical step to strengthen the PNG-Japan relations. Meanwhile, Satoshi said that the Papua LNG project would be the firm’s fourth LNG project. He said this followed the Malaysia LNG Tiga, Tangguh LNG in Indonesia, and the PNG LNG in Southern Highlands. He added that it also owns a 4.7 per cent stake in the PNG LNG project in Southern Highlands.

Bougainville leaders call on mining giant Rio Tinto to assist communities

Radio New Zealand, 7 June 2023

Community leaders around the Panguna Mine in the autonomous Papua New Guinea region of Bougainville want mining giant Rio Tinto to help out following recent flooding. Rio Tinto was the owner/operator of the mine which has lain derelict for more than 30 years. Fears of the threat from flooding in the river system near the mine have increased in recent years. Recent heavy rain has choked rivers with mine tailings waste, resulting in several communities being swamped. Residents have reported peoples' homes have been inundated, water supplies and food crops compromised. The flooding risks were highlighted in an independent report by Tetra Tech Coffey published last year. This report was prepared as a baseline to inform an independent human rights and environ-

mental impact assessment that launched in December 2022 and which Rio Tinto committed to fund in response to a human rights complaint by 156 local residents.

Phase 1 of the assessment is due to report in mid-2024. Community leaders are calling for immediate funding from Rio Tinto for tangible action to address urgent health and safety issues in their communities, as well as a commitment from the company now that it will fund long-term solutions after each phase of the impact assessment. To date, Rio Tinto has agreed to fund the human rights and environmental impact assessment only. The chairperson of the Lower Tailings Landowners Association, Bernardine Kiraa, said: "our communities are drowning in mine tailings waste." "The recent flooding damaged peoples' houses, food crops and water sources. Women have been having trouble finding clean water to wash their babies. We worry about the spread of mosquitoes and disease following the flooding." Theonila Roka-Matbob, who is a local MP and local landowner, and who led the campaign for the environmental assessment said: "we have welcomed Rio Tinto's commitment to assessing the impacts of the Panguna mine." "We know the process will be a long one. But we have been dealing with the disaster caused by the mine for decades." "We are always worrying that the food we eat, the water we drink and the air we breathe is not safe. We worry about levees collapsing and mine waste flooding our lands and communities," she said.



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

"We need tangible action now to address urgent health and safety issues. And we need to know what Rio's intentions are after the impact assessment - that they will stick with us and fund the long-term solutions we need." The legal director at Australia's Human Rights Law Centre, Adrienne Walters, said: "communities are being asked to be patient while the impact assessment progresses over a number of years." "But they also need action now and a public commitment from Rio Tinto that it will actually remedy the devastating impacts of the mine." "Rio Tinto's commitment to assessing the impacts of its former mine is an important first step," Walters said. "The company now needs to publicly reassure communities that it is firmly committed to funding the long-term solutions that will allow them to live safely on their land." Rio Tinto gave away its shares in Bougainville Copper Ltd (BCL) in 2016 but it has subsequently agreed to the funding of the human rights and environmental assessment.

TotalEnergies applies for licence

June 6, 2023, The National Business

TOTALENERGIES EP (Exploration and Production) PNG Ltd has applied for a petroleum development licence (PDL) for the US\$10 billion (about K36 billion) Papua LNG project, says Petroleum and Energy Minister Kerenga Kua. Kua said the petroleum department would go through the application papers delivered in Port Moresby, which is an important step in the front end engineering design (Feed) phase of the project. He said an application for PDL (APDL) did not constitute a PDL guarantee. “The grant of a PDL is not guaranteed, it is all dependent upon the project being properly documented in the application.” Kua said TotalEnergies delivered 10 boxes of documentation which would take the department several months to review. “We do not expect to complete the feed before the end of the year, so there is plenty of time for my department to work through all of that,” he said. “These are all statutory procedures.

“TotalEnergies is the operator of the Papua LNG project, and their filing of the application for PDL constitutes a very important step for the project moving towards the granting of a PDL and then final investment decision.” “I applaud TotalEnergies for filing the application for a PDL. It was filed in a timely manner.” Kua stressed that the filing of the APDL did not guarantee a PDL. The department will have to review all the supporting documentation behind the application carefully, and then the department will make a submission to the petroleum advisory board (PAD), who will then make a recommendation to the minister on whether to accept the application or defer it and request for further information,” he said. “All these will depend on the fullness of the application itself. “If the department and the PAD are satisfied, they will make a recommendation to me, as the minister responsible, for the grant of a PDL.”

Bougainville's destructive goldmine could also be its \$90 billion key to independence

By PNG correspondent Tim Swanston and Theckla Gunga in Bougainville

Posted Mon 5 Jun 2023, updated Tue 6 Jun 2023, ABC News



Panguna was operated by BCL, which was majority owned by global mining group Rio Tinto, between 1972 and 1989. (ABC News: Tim Swanston)

While Bougainville's Panguna mine was abandoned decades ago, mining has not stopped in the area. Families have set up makeshift houses in the gaping pit, and men, women and children pass their days digging for whatever gold and copper they can reach. It's risky and dangerous work, but many feel they have no other option. They live among decaying infrastructure and the skeleton of the mine's concentrator, left over from the massive operation run by Bougainville Copper Limited (BCL) between 1972 and 1989. BCL was majority owned by global mining group Rio Tinto, but

operations ceased on the mine in 1989 after an armed insurgency known as the "Bougainville crisis".

Growing anger over the mine's environmental impact and the limited financial compensation paid to landowners spilled over into a civil war that lasted a decade and claimed up to 15,000 lives. BCL has previously described the situation as one in which it had to leave "in a hurry", and the mine was not wound up as it should have been. The damage from Panguna, and [the emotional and physical pain that comes with it, is still unfolding](#). Water tinged blue from copper contamination flows from the mine site into rivers and creeks, polluting drinking water.



The legacy impact assessment will identify and assess actual and potential environmental and human rights impacts from the mine. (ABC News: Tim Swanston)

Millions of tonnes of mine tailings, a liquid slurry of fine mineral particles left over after the extraction of ore, have also diverted floodwaters into villages and hamlets. In 2020, the Human Rights Law Centre, acting on behalf of 156 Bougainville community residents, lodged a complaint with the Australian government, [alleging serious adverse environmental and human rights impacts linked to the ongoing pollution from the mine](#). Although the human rights complaint revolves around the environmental and social damage done in Bougainville, the complaint has been filed with the Australian National Contact Point for Responsible Business Conduct (AusNCP) because Rio Tinto is a multinational company registered in Australia.

Now, the full scale of the damage is expected to be laid bare in an independent assessment, which was mostly funded by Rio Tinto in response to the complaint. For those on the ground, the process is seen as a vital way to find a set of solutions, to help remediate the disaster. But many also want the mine to reopen, believing a resources company would come in and be required to clean up the mess. There may also be a financial incentive, with the autonomous Bougainville government (ABG) estimating there is almost \$90 billion of return still in the pit.

The desperate search for clean water

An independent group, the Panguna Mine Legacy Impact Assessment (PMLIA) Oversight Committee, was formed to oversee the assessment of the mine. This year, a team of scientists began work on a major field study, carrying out environmental, social and human rights investigations in order to identify Panguna's impact. The committee consists of landowners, clan and community leaders, members from the ABG, Rio Tinto, BCL and the Human Rights Law Centre.



Young children are among those continuing to dig for gold and copper in the mine. (ABC News: Tim Swanston)

One of the key areas that will be examined is the "lower tailings", downstream in the Jaba/Kawerong River valley, which is where mine waste was dumped. Travelling from the mine to these communities takes hours, through a series of dirt roads through the forest and several river crossings. At Kuneka, few homes are accessible by car because of floodwaters that have been diverted into the village. Villagers say tailings waste builds up in the river and causes the flooding, which contaminates their drinking water. Many families have relocated closer towards the mountains in search of higher ground and clean water. Local man Vennie Neo said he had access to some groundwater, but often relied on collecting rainwater without a tank. "When the mine was operating, the Jaba River was destroyed, including all the smaller streams," he said. "When we see that it is about to rain, we put out things to collect rainwater, but if we are late there will be no water. "We just have to cook on the fire and eat ... we are the unfortunate ones."



BCL discharged mine waste into local river systems when it was in operation, the Human Rights Law Centre alleges. (ABC News: Tim Swanston)

Bernardine Kirra, who represents the communities of the lower tailings on the oversight committee, estimates 90 per cent of those people do not have access to safe, clean drinking water. "All our

sources where we used to get clean drinking water, it's been polluted by the mine, by the tailings," she said.

Mud and tailings replace wetlands and forests

In the Jaba/Kawerong River valley, communities say wetlands and forests have been destroyed and replaced with large swathes of mud and tailings sludge. "We feel that the damage will never be fixed again," Ms Kirra said. "The landscape has changed a lot, and our new generation, they don't know [what] the forest or the land was like in the past before the mining came." She said rivers here had few fish, and washing and swimming in them caused a burning, itchy sensation. "Most of our land has been destroyed [where] we could plant cocoa to get an income," Ms Kirra said. "That's why we have some of our people panning for gold — because most of the land is underwater or it's swampy so we cannot grow any cash crop." "Life has changed a lot and people are really struggling now to find money." Leonard Paki has come down to the Jaba River with his family to pan for gold.



Leonard Paki came down to Jaba River with his shovel in the hopes of finding gold. (ABC News: Tim Swanston)

"It is to support us to buy food and school fees ... we come and pan for gold here to get a little money to sustain us," he said. "When we come, we bring water in containers and drink from them." "Here you cannot wash or drink from the river ... the entire forest is already damaged by the mine waste."

Human rights group says Panguna an 'urgent situation'

It is expected the assessment will have early findings for release in mid-next year. But The Human Rights Law Centre's Keren Adams said, on the ground, there was a "sense of frustration that things aren't moving towards actual solutions". "It's an urgent situation that they feel needs to be addressed as soon as possible," she said. "We'd really like to see the company (Rio Tinto) moving swiftly to discussing what can be done to address these huge problems that people are living with."

Complainant, landowner and local MP Theonila Matbob said while Rio Tinto's funding for the assessment was a start, she wanted a commitment from the company to fund the clean-up and remediation. "We should be talking about, or committing to, the second step or the solution, or what happens after the assessment," she said. "Every single day is a challenge ... mentally the future is always unsure, it's always bleak." "We're trying to say, maybe let's adapt and be resilient here, but the reality is not on our side." In a statement, a spokesperson for Rio Tinto said the independent legacy impact assessment (LIA) was "an important milestone in understanding the potential impacts of the Panguna mine".

"Our people were recently able to visit Buka for the first time in more than 30 years as part of the LIA process, which is helping us to better understand the situation," they said. "This included meeting with government representatives, landowners and clan and community leaders, who are fellow members of the Legacy Impact Assessment oversight committee." When asked if the company would contribute to a remediation fund, the spokesperson said the assessment was a "key first step to identifying impacts and discussing next steps with all parties". "The understandings from it will help us meet our commitment to act in line with our external environmental and human rights commitments and internal policies and standards," they said. In 2016, Rio Tinto divested from the mine. Its shares are being transferred to the ABG.



Despite the mine ceasing operations in 1989, some families continue to live in the area. (ABC News: Tim Swanston)

Could the mine reopen?

The ABG has signed a resolution with Central Bougainville landowners for the Panguna mine to reopen and be operated by a government-owned entity. But the ABG's new mining minister, Robin Wilson, said after that, "nothing happened".



Families live among the skeleton of the mine's concentrator, which can be traced back to a mining operation in the 1970s and 1980s. (ABC News: Tim Swanston)

He said he was keen to re-activate the process and the decision was still in the landowners' hands. "According to our law, they own the minerals," Mr Wilson said. "Whilst the government has the overall agenda of economic activities to generate internal revenue, we are mindful that the process involves the consent of the landowners." The cost of reopening the mine is estimated to be about \$US6 billion (\$9 billion). But there's a massive economic incentive for the ABG to have the mine reopened. "If the mine opens, the mine is expected to operate for 28 years and it's expected to make returns in excess of \$US58 billion ... so that's a lot of money there," Mr Wilson said.

He's hoping a reopened mine would stimulate the surrounding economy, generating increased tax revenues. Bougainville is currently seeking its independence by 2027, but it's still mostly reliant on grants provided by the PNG government. Yet downstream in the communities living with the tailings waste, some have voiced opposition to the mine's reopening. Ms Matbob is calling on everyone to work together to create solutions. "It takes all of us to work together in solving the problem that was instituted and imposed upon us," she said. "[If] we make politics ... we are only going to bring into the picture bitter generations to come because they'll say, 'What have you done about this?'"

Papua LNG feed process done: TotalEnergies

By ZEBEDEE GIAME, June 2, 2023, The National Business

OPERATOR of the US\$10 billion (about K35.5 billion) Papua Liquefied Natural Gas (LNG) project, TotalEnergies, has confirmed the front-end engineering design (feed) process had been completed last year. Public affairs manager Richard Kassman said this at an early works and infrastructure project information session hosted in partnership with the Lae Chamber of Commerce and Industry revealed that the process was completed in full for upstream, middle stream and downstream.

"Most of the works in engineering and design were running concurrently and are expected to be completed by the first quarter of 2024," he said. Kassman said that meant full construction would begin by the second quarter of the same year and rolled forward to the third and final quarters as well. "Full on construction should take about four years," Kassman said. He explained the construction phase was shorter and stressed the need for skilled locals to be engaged to ensure construction was completed within the four years. "The project is expected to go into full gas (production) by the end of 2027 or early 2028 at the latest," he added.

Industry 'lacks' skilled workers

June 2, 2023, The National Business

MAJOR project developers in the extractive industry are facing competition in sourcing qualified skilled labour, given the small pool available in country, an official says. Total Energies PNG public affairs manager Richard Kassman said the shortage of local skills forced them to bring in expatriates for the Papua Liquefied Natural Gas (LNG) project. Kassman said with no ongoing projects, older people were coming to the end of their careers, leaving behind a larger pool of inexperienced young graduates. "When you build a project of this nature, you need skilled labour," he said. "We're going to maximise Papua New Guineas who we can employ, but it's important to appreciate that with the short time of construction we have, we cannot afford the time to train those qualified.

"There are a lot of unemployed people in PNG who we want to give jobs to at different levels of the project. But the skills of those qualified are what we want to get them before Wafi-Golpu and Porgera." He said Papua LNG would be recruiting separately for the production phase and to start that training shortly "so by the time the project goes into production, they have their qualified personnel". "We will require primarily operations and maintenance teams to operate the processing

facility and the LNG facility so we will train that workforce separately over the longterm.” Papua LNG project director Emmanuel Hyst said they would see that by the end of the phases, the workforce leaving were skilled to be taken in by other projects such as P’Nyang, Wafi-Golpu and Porgera.

Government ordered to justify gold deal

By GORETHY KENNETH, Post-Courier, June 1, 2023

The National Court has ordered the Government to disclose the full details of the gold refinery deal it entered into with a Singaporean based company — National Gold Corporation. The National Court ordered Prime Minister James Marape (first defendant), Planning Minister Renbo Paita (second defendant), the NEC (third defendant) and Dr Eric Kwa (fourth defendant) to make full disclosure on the project agreement, which will eventually become law that will change the entire landscape of PNG’s gold industry. “The process of gold refinery, while it may be welcome news for the country as to whose owning it, especially when a company is proposed to be a proponent, developer or owner of resource, the country needs to know the good and bad of it and the justifications for such arrangements,” Deputy Chief Justice Ambeng Kandakasi ordered in his judgement.

The order follows a court challenge mounted by Parker of Golden Valley Enterprise Limited, PNG’s leading gold buyer and processor over the validity of the gold refinery agreement between the state and National Gold Corporation. “I was disappointed when I learnt that an agreement was signed. “To my knowledge the foreign company will own 70 per cent of the refinery whilst the PNG Government will only own 30 per cent when we could own for a 100 per cent nationally owned refinery,” says Mr Parker through his lawyer Saulep Lawyers. The project agreement which will eventually be made law, will completely change the landscape of PNG’s gold industry.

“Coupled with the media publications, I had the benefit of having accessed an unsigned copy of the Agreement relating to the Refinery Project and I note with grave concerns how this purported agreement will be very detrimental to the State, as well as all industry stakeholders. “This Agreement will totally shut the doors completely on us local businesses, alluvial miners, gold miners and aggregators around the country. “It is dangerous to note that there will be no more open market competition and trade, being the fundamentals of democratic society and therefore our Constitution,” Parker said. Aggrieved with information gathered overtime, Mr Parker filed an application in the National Court on the 13th of December 2021 seeking:

1. A declaration pursuant to Section 51 of the Constitution that the Plaintiff has the right to have access to all pertinent and relevant information regarding the National Gold Refinery and Mint Project relating to the downstream processing of gold in the country including, policies, statutory business papers, National Gold Corporation Project Shareholder Agreement, all related NEC Decisions (NEC Decision No 73 & 74/2021 dated 17th May 2021, NEC Decision No 267/2021 dated 20th September 2021 and NEC Policy Submission No 208/2021.
 2. An order that pursuant to Sections 51 and 155 (4) and of the Constitution, the Defendants make available forthwith to all the referenced documents to Mr Parker.
- Justice Kandakasi granted all these orders and further ordered that: “As the Plaintiff submits, there has been no broader, wider consultation and so who stands to benefit, who stands to lose, what are the arrangements and what are the safeguards for alluvial miners or other mining interest holders?
“There is no evidence of any meaningful consultation having being occurred so a disclosure of these documents will enable the Plaintiff and such other persons to work out whether they should be challenging the decisions arrived at.”

The Court ordered:

- The Plaintiff is granted leave to proceed ex-parte conditional on the Plaintiff filing and serving an affidavit annexing the various email communication between the Plaintiff and the Defendants in respect of the matter coming to Court today.
 - Judgment is granted in favour of the Plaintiff
 - A declaration that pursuant to Section 51 of the Constitution, the Plaintiff has the right to have access to all the pertinent and relevant information regarding the National Gold Refinery and Mint Project including the following information:
 - (a) Department of National Planning and Monitoring’s Policy Document on the Refinery, Smelting and downstream processing of Gold in the country;
 - (b) Statutory Business Papers regarding the National Gold Refinery and Mint Project;
 - (c) National Gold Corporation Project Shareholders Agreement;
 - (d) NEC Decisions No. 73 & 84/2021 dated 17th May 2021;
 - (e) NEC Decision No. 267/2021 dated 20th September 2021;
 - (f) NEC Policy Submission No. 208/2021.
 - Pursuant to Section 155(4) and Section 51 of the Constitution, the Defendants make available forthwith to the Plaintiff copies of all pertinent and relevant information regarding the National Gold Refinery and Mint Project, namely:
 - (a) Department of National Planning and Monitoring Policy Document on the Refinery, Smelting and downstream processing of Gold in the county;
 - (b) Statutory Business Papers regarding the National Gold Refinery and Mint Project;
 - (c) National Gold Corporation Project Shareholders Agreement,
 - (d) NEC Decisions No. 73 & 84/2021 dated 17th May 2021;
 - (e) NEC Decision No. 267/2021 dated 20* September 2021;
 - (f) NEC Policy Submission No. 208/2021.
- The Defendants shall pay the Plaintiff’s Costs of and incidental to these proceedings on a Party/Party basis, to be taxed if not agreed.

Groups call for opening of PDL1 accounts

May 31, 2023, The National Business

THE Hides (PDL1) Special Purpose Authority and Hiwa Tuguba Hides association Inc are calling on the Mineral Resource Development Company (MRDC) and stakeholders to progress the opening of accounts for Petroleum Development One (PDL1) landowners. PDL 1 Special Purposes Authority chairman Nickson Albert Hiwi and Hiwa Tuguba Hides Association Inc chairman Aluja Jakari said the State and its relevant agencies must start the process. The landowners said PDL1 account openings programme was launched this year at Juni camp in Hides PDL 1 PNG LNG project. “We cannot wait too long while most of the landowner clan chiefs and leaders are passing away.” Hiwi and Tuguba also have also stated:

- LOCAL elected MPs and governor to push for the PDL 1 LO bid exercise forthwith;
- ONE individual clan interest cannot hold back the interest of the entire Hides PDL One – six blocks benefits;
- ORGANISE a separate neutral venue and fully compete the programme as soon as possible;
- BOTH entities now wanted more resources in terms of logistics supports shall be made available by the relevant authorities like MRDC, Department of Petroleum (DPE), Hela government, State to mobilise on the ground level as soon as possible to proceed on to the programme sooner;
- HPG, DPE or MRDC to provide more security personnel to be deployed on the ground to cater to the PDL 1 account openings;

- ALL landowners living outside the project areas shall be flown back or moved back to Hides and prepare for the LO bid exercise in order to pave way for the programme to start and finally benefits shall flow in; and,
- LOCAL landowner leaders to go back to Hides and organise for the MRDC and the State teams to commence the programme sooner.

Attempts to get comments from MRDC were unsuccessful.

Better deals for projects: Barker

By PETER ESILA, May 29, 2023, The National Business

BETTER deals could have been arranged for many resource projects in the country, with good information and professional negotiations, says Institute of National Affairs executive director Paul Barker. “This whole disruption to Porgera could have been much better handled, with too many suffering unnecessarily in the interim,” he said. “Undue expectations (or greed) was clearly a factor, as well as jealousy on the part of some players, when more wisdom and restraint might have helped. “Certainly an improved deal over Porgera was desirable and readily on offer without the disruption that we’ve seen.” Barker said closing a mine for an extended period, forfeiting the income in the meantime and having to invest considerably to restore the mine to working condition (as opposed to its mothballed state), requires finance and commitment.

“And certainly both the company and the government, apart from the provincial government and local communities, will have lost out overall as a result of this closure. Whether or not the new investment agreement is better than what was in place hitherto,” he said. “The fact that Barrick and partners have hung in, when many others would not, indicates that they still see it as a worthwhile venture. “And, generally, it would be better for everyone, both locally and nationally for this operation to get back up and running as soon as possible.” Barker said successive governments had become unduly fixated on equity. “When as a Government you have the capacity, unlike a corporation or a private citizen, to collect revenue from business through taxes, without the need to take the risk of investing directly or borrowing to invest,” he said.

15pc holding in place for KMHL

May 30, 2023, The National Business

KUMUL Minerals Holdings Ltd (KMHL) still has the 15 per cent holding in the Solwara One deep sea mining project, as development talk continues, says managing director Sarimu Kanu. “KMHL position is to dispose of the 15 per cent holding in Solwara One, however, as KMHL still holds the 15 per cent, we will not be contributing to any cash call,” he said. “The new players in the project can keep progressing the project without added cost to KMHL. “But they will not be able to dilute the 15 per cent.” Kanu said the Treasury Department had taken over the repayment of a US\$120 million (about K426 million) loan by Petromin to buy the equity share in the stalled Nautilus project. “Treasury is currently doing that now, he said. “There are new players in Solwara One and are driving a different method of ore extraction to the previous Nautilus strategy. “They still need to proceed to trial mining stages.

“The KMHL has established a stringent investment policy and criteria that will drive our investment strategy and the determination of what project KMHL will participate. “We are therefore confident that the mistakes made previously through Petromin are not repeated.” Mining Minister Sir Ano Pala earlier said the Government expected to pursue discussions with a deep sea mining company to revisit the potential for extracting minerals in the Bismark Sea off the west coast of Namatanai,

New Ireland. Deep Sea Mining Finance Ltd (DSMF) is the company that acquired Nautilus Minerals, which had previously pursued interest in deep sea mining in the mid-2000s through the project known as Solwara One. New Ireland Governor Sir Julius Chan and the provincial government also met with the DSMF executives in March about the project.

Wafi-Golpu development forum set: PM

By GLORIA BAUAI, May 29, 2023, The National Business

THE K18 billion Wafi-Golpu gold/copper project's development forum may start in about a month's time in Lae, according to Prime Minister James Marape. During his two-day visit to Lae last week, Marape told the landowners and the Morobe government that he would be returning with the mining minister next month. "I will bring a team towards the end of June and early July to commence Section 3 (consultation) process," he said. According to the Mineral Resources Authority, the Mining Act 1992 Section 3 it states that a development forum shall be convened by the (Mining) Minister before the granting of any special mining lease (SML) to consider the views of persons who the minister believes will be affected by the granting of that SML.

The MRA's presentation calls for a fair representation of views from the SML applicant, the landholders subject to the applied SML and other proposed tenements, the Government and the provincial government (host). Under the memorandum of agreement establishment process, the conclusion of the development forum will follow through with the fiscal clearance (Department of Treasury), legal clearance (State Solicitor) and finally, the National Executive Council approval and implementation. Marape said the project developer had confirmed an 18-month period to conclude its final investment decision which should be before 2025.

Landowners want access to development funds, says association

May 29, 2023, The National Business

LANDOWNERS of the Wafi-Golpu project's Special Mining Lease 10 want to access this year's infrastructure development grant (IDG) given by the Government. Hengambu landowner association chairman John Nema said the gold/copper project was key to infrastructure development. "We've been waiting too long for this project to happen, so we finally have funding to develop our neglected communities," he said. The important thing to note is that our people have been missing out on basic services far too long." Nema said they would discuss with the (Morobe) government on how to put in a submission "to access these funds as soon as possible". He said improving health services was the main issue for the people but building a road was a priority to enable health and education to reach the community.

"This financial support should help us in this area," he said. "We're also happy to hear that the development forum will start in June, July. The sooner, the better." Babuaf Landowner Association chairman Jack Raban added that equal funding recognition be given to all communities along the project area. "Our communities are so remote that many teachers and health workers have left resulting in the closure of services." Governor Luther Wenge said of the K1 million for the Yanta, Babuaf and Hengambu landowner associations, K500,000 each was the initial deposit. The balance would be paid later. Wenge confirmed that the Government had given K50 million of the K100 million IDG to the provincial government for this year. The prime minister said the first K50 million must be used to better the lives of the people.

Porgera shareholders expecting K25 billion

May 29, 2023, The National

LOCAL shareholders of the Porgera gold mine in Enga expect to receive nearly US\$7.3 billion (about K25.2 billion) over a potential 20-year mine life, according to Barrick Niugini Limited (BNL). BNL country manager PNG operations Karo Lelai added that US\$2.8 billion (K9.7 billion) would be for the first 10 years of the project. She based the figures on the gold price of US\$1,950 (K6,336) per ounce. “The current gold price is significantly higher at approximately US\$1,950 (K6,864) per ounce,” she said. BNL is the operator of the New Porgera Limited (NPL). “NPL would like to clarify certain matters related to the reopening of the Porgera gold mine that has been the subject of speculation and considerable misinformation in the national media over the past week.

“The benefit sharing terms agreed between the State, BNL, Kumul Mineral Holdings Limited (KMHL) and Mineral Resources Enga Limited (MRE) to restart the mine ensure a transparent and fair distribution of the economic benefits that will be generated by Porgera over its 20-year mine life. “Over the life of the mine, PNG shareholders comprised Porgera landowners, Enga province and the State (KMHL which will hold the equity in new Porgera on behalf of the State) will receive 53 per cent of Porgera’s overall economic benefits. “BNL will receive the remaining 47 per cent. “Importantly, BNL has committed to finance the capital required to restart the mine.

“Once the mine has restarted, any additional loans made by BNL or its affiliates to New Porgera Limited will be on an interest-free basis.” She said since the mine ceased operations more than three years ago, BNL had funded 100 per cent of the cost of care and maintenance, totaling US\$540 million (K1.9 billion) to date. “The State, KMHL and BNL agreed that KMHL’s dividends will initially be redirected to BNL to reimburse it for the costs of the care and maintenance. “However, the other PNG shareholders are not affected by this arrangement and will receive their dividends as they are declared.”

Meeresregion zwischen Hawaii und Mexiko

Tiefseebergbau im Pazifik bedroht Tausende Arten

Im größten Erkundungsgebiet für Tiefseebergbau leben überraschend viele Tierarten. Das zeigt eine erste Bestandsaufnahme. Doch sie sind in Gefahr: In der Region ruhen Mineralien, die stark gefragt sind. Der Spiegel online, 26.05.2023



Tiefseeart in der Clarion-Clipperton-Zone; Foto: SMARTEX Project / Natural Environment Research Council / dpa

Tief im Meer zwischen [Hawaii](#) und [Mexiko](#) liegt so mancher Schatz. Keine Goldmünzen oder sonstige wertvolle Altertümer sind gemeint, sondern Rohstoffe wie Mangan, Kobalt und Nickel. Die Tiefsee mitten im Pazifischen Ozean, wo der Meeresboden etwa 4000 bis 6000 Meter tief ist, gilt als potenziell größtes Bergbauggebiet der Welt. Aber wie ist es um ozeanisches Leben in der Region bestellt? Das hat ein Forschungsteam untersucht und eine überraschend große Vielfalt entdeckt. Die Wissenschaftlerinnen und Wissenschaftler fanden 5578 Tierarten. Mehr als 80 Prozent dieser Arten seien bislang unbeschrieben, berichtet das Team um Erstautorin Muriel Rabone, Tiefseeökologin am Natural History Museum in London, im [Fachmagazin »Current Biology«](#).

Die Gruppe hatte in einer Bestandsaufnahme der sogenannten Clarion-Clipperton-Zone im östlichen [Pazifik](#) mehr als 100.000 Datensätze aus sieben Quellen über dortige Lebewesen ausgewertet. Die meisten der erfassten Arten sind demnach Gliederfüßer wie Garnelen oder Krebse. Aber auch Würmer, Stachelhäuter wie Seeigel und Schwämme sind vertreten. »Es gibt dort unten bemerkenswerte Arten«, sagt Rabone. »Manche Schwämme sehen aus wie klassische Badeschwämme, andere wie Vasen. Sie sind einfach wunderschön.«



Paradies für Gliederfüßer wie Garnelen oder Krebse: Unterwasserbild des Forscherteams;
Foto: SMARTeX Project / Natural Environment Research Council / dpa

Die Clarion-Clipperton-Zone verfügt über eine Fläche von rund sechs Millionen Quadratkilometern – das entspricht grob der doppelten Fläche Indiens. Die Bodenschätze dort sind wichtige Rohstoffe, mit denen etwa Batterien für Elektroautos hergestellt werden. Die Mineralien dürfen zwar nicht außerhalb nationaler Hoheitsgebiete abgebaut werden. Unternehmen ist es aber erlaubt, solche Gebiete auf Bodenschätze zu erkunden. Für ein Sechstel des Meeresbodens der Clarion-Clipperton-Zone hat die Internationale Meeresbodenbehörde (Isa) sogenannte Erkundungslizenzen erteilt. Anträge auf kommerziellen Tiefseebergbau prüft die Isa in diesem Jahr.

»Angesichts des drohenden Bergbaus ist es doppelt wichtig, dass wir mehr über diese bisher kaum erforschten Lebensräume wissen«, sagt Rabone. Um das Ökosystem besser zu verstehen, haben in den vergangenen Jahren diverse Expeditionen den Pazifischen Ozean erkundet. Dabei sammelten sie Proben teils mit ferngesteuerten Unterwasserfahrzeugen, die über den Meeresboden fahren. Oder einfach mit robusten Kisten, die über den Boden gezogen werden. Aus solchen Datensätzen hat das Forschungsteam um Rabone eine erste Bestandsaufnahme zur Vielfalt der Meeresbodenfauna in der Clarion-Clipperton-Zone erstellt. Diese Checkliste umfasst insgesamt 27 Stämme, 49 Klassen, 163 Ordnungen, 501 Familien und 1119 Gattungen. Bis auf Ebene der einzelnen Art wurden bislang nur 436 der Tiefseebewohner beschrieben. Viele von ihnen dürften ausschließlich in dieser Region leben.

Obwohl die neue Analyse das Wissen über die Fauna in diesem Meeresgebiet erweitert, weisen Rabone und ihr Team darauf hin, dass es noch viele unerforschte Bereiche gibt. Die Zone ist reich an Knollen und Felsen, was sie von anderen Tiefseegebieten unterscheidet. Dort könnte sie besonders vielen verschiedenen Meerestieren Lebensraum bieten. Da es aber gerade für diese Felsbereiche kaum Daten gebe, werde die Vielfalt in der Region insgesamt noch unterschätzt. Die Clarion-Clipperton-Zone ist eines der letzten Gebiete des globalen Ozeans mit unberührter Wildnis. »Wir müssen wissen, was in diesen Regionen lebt, bevor wir verstehen können, wie wir solche Ökosysteme schützen können«, sagt Co-Autor Adrian Glover.

Aboriginal group to be compensated for historic mining damages

Post-Courier, 26 May 2023



MELBOURNE: Western Australia state has agreed to compensate an Aboriginal group for historic acts including issuing mining leases on their traditional lands, setting a precedent that is set to allow Indigenous groups a greater say in future developments. The state has been strengthening its laws to protect Indigenous cultural heritage since iron ore mining operations by Rio Tinto three years ago destroyed historic rock shelters that showed human habitation dating back 46,000 years. The Western Australian government said it had reached a “historic settlement” with the Tjiwarl people of the state’s northern Goldfield’s region for three native title compensation claims and had finalised an agreement for land use in future.

The state will pay the Tjiwarl Aboriginal Corporation A\$25.5 million (K58.8 million) for acts such as approving roads and issuing leases that damaged or destroyed the group’s legal rights over their traditional lands. The new agreement sets out a greater say for the Tjiwarl on future developments by miners and others on issues including water management and mining or petroleum leases, and removes the need for future compensation claims. It also returns some land parcels to Tjiwarl and expands the group’s conservation area. Bellevue Gold and lithium developer Liontown Resources Ltd, which operate on Tjiwarl lands were involved in the compensation litigation. BHP Group, which declined to comment, struck a land use agreement in 2018 for its nickel operations and was not part of the settlement. – REUTERS

Porgera gold reserves sufficient

By PETER ESILA, May 26, 2023, The National Main Stories

THERE are sufficient gold reserves to support the next 10 years’ operations at the Porgera gold mine. Enga that is currently 51 per cent owned by PNG, according to the Kumul Minerals Holdings Ltd(KMHL). KMHL chairman Dr Ila Temu said Barrick Niugini Ltd (BNL) had met all the PNG shareholders’ share of the care and maintenance cost, and the startup costs. KMHL is the national mining company, mandated as the exclusive nominee to hold and manage investments in mining assets. “There has been no exploration done during the period of care and maintenance,” he said. “In any case, all exploration results are currently the property of BNL. The next 10 years’ resources will have to be proven up during the first 10 years of operations. “Barrick have developed and

presented a model that shows that the mine will be profitable. The agreed benefit split has been based on this model,” Temu said.

He clarified that KMHL’s 36 per cent share in Porgera for the next 10 years would go towards repaying BNL’s cost of care and maintenance. The BNL told *The National* last year that it had spent more than K1 billion on care and maintenance of the mine. “It is important to understand that Barrick has funded all of PNG shareholders share of the care and maintenance cost and the startup costs,” he said. “If Barrick did not do this, we would have to go and borrow to fund our 51 per cent share. “Under the agreed arrangements, Barrick will have to recoup all of this from Kumul’s (KMHL) 36 per cent of the dividends. “This is a much more favourable arrangement than borrowing in the market with high interest cost.” Temu said the other shareholders were the Enga government under Minerals Resources Enga (5 per cent) and the landowners (10 per cent) would receive their dividends.

Newcrest share acquisition will not affect Wafi-Golpu: Marape

By GLORIA BAUAI, May 26, 2023, The National Business

THE acquiring of Newcrest shares by the American-based Newmont Limited will not affect the Wafi-Golpu project, says Prime Minister James Marape. Marape explained this to the business community and project landowners in Morobe who had been looking forward to the K18.5 billion gold-copper project. He revealed that here was a meeting between the Newmont chief executive officer and Government officials recently. Marape said the Government was assured that no changes would be made to the Newcrest portfolio. “He told us that assets on the interest portfolios will not be compromised if they take over (Newcrest),” he said.

During the Australia-PNG Business Forum and Trade Expo in Port Moresby this month, Newcrest said the merger with the gold giant was expected to be concluded before year’s end. Marape said Newmont’s presence in the country would complement other big players such as ExxonMobil and Total Energies in the oil and gas sector. “Knowing that we are able to attract big companies, we’re now working to secure our country’s borders through security cooperation and strengthen our infrastructures.”

He said Lae and Nadzab would be the focus for development in the next five years to transform it into a thriving business incubation hub. He added that the Wafi-Golpu project developers will deliver the Final investment Decision before 2025. He said per the Framework agreement of 2023, PNG would be getting K6billion more for its beneficiaries, compared to the 2018 proposed agreement. He said Newcrest has 35 per cent shares, Harmony with 35 per cent and PNG remains with 30 per cent. “I will come back with the Mines Minister in June-July to commence the project development forum here in Lae.”

LO company gives K1.5mil to churches

May 25, 2023, The National Business

LANDOWNER company, Kroton Laitepo Equities Ltd presented a cheque for K1.5 million to church associations in Petroleum Development Licence (PLD) Seven area of Hides Four impacted zone at the LNG project site. The money is from a K2.7 million the company pledged to allocate for churches under its Hides Christian Churches Sustainable Development Fund. The funding was through an existing memorandum of agreement signed in 2019 between the company and church associations, including women and youths groups.

Executive chairman Andy Hamaga said Kroton Laitapo Ltd was the first landowner company from the nine PDLs to support churches. Hamaga said the company had decided to allocate 10 per cent of its royalty share to churches. He added that there were other associations and groups the company had provided funding for. “We have a framework which the company uses to monitor which areas these associations spend the funds on so that there is accountability and transparency in use of the funds,” he said. “We see that this was a right path to follow because churches in our communities play an important role in ensuring people’s wellbeing and needs are met.”

Wafi-Golpu shares settled

May 25, 2023, The National Business

THE Government has finally settled on the total benefit sharing at over 60 per cent from the Wafi-Golpu project. Prime Minister James Marape, in addressing the Morobe Tutumang in Lae, said the total benefits sharing included taxes, equity, royalty and also an additional social fee for the environment around the project area. “The framework that was signed in Port Moresby recently is a guide on how best the Government, the developer and the resource owners will be working with each other to take the project from this point on,” he said. Marape added under the recently signed MoU framework, the Government had secured a “better defined royalty”. He also explained that according to the law the developer could only pay two per cent.

“This is the case with resource owners from other projects in the country,” he said. Marape said there were three layers of deductions on that two per cent. He said that was why the Morobe government had pushed for the royalty percentage to be taken up to five per cent and reduce the equity to 20 per cent. He said considering the demand from the Morobe government, the State had to adjust the numbers to add up the monetary value of the total benefit and settled for 3.5 per cent. Marape explained that the 3.5 per cent that was settled for was just K100 million less compared to the original five per cent.

“The Government also secured an additional 10 per cent equity on total benefits sharing because the previous government’s agreement was to forfeit 10 per cent of the benefits as royalty to settle for just 20 per cent equity,” he said. He explained that was why former governor Ginson Saonu took the matter to court. “So through the court, we recouped that 10 per cent in equity,” Marape said. He confirmed that the financing of that additional 10 per cent would be done similar to the Porgera project. “Seventy per cent of that additional 10 per cent equity will be raised by the developer while the government balances it,” Marape said. He said this additional 10 per cent has been fully secured and is for the people of Morobe.

No Porgera dividend payments for KMHL

BY DALE LUMA, Post-Courier, 24 May 2023

KUMUL Mineral Holdings Limited (KMHL) will not secure any cash-flow or dividend payments from the multi-billion kina Porgera mining project in the next 10 years, says chairman Ila Temu. He said this is the result of the new Porgera arrangement which will see their dividends swept for the payment of the 51 per cent interest that the country has under the new Porgera arrangement. Under the new shareholding arrangement of the mine, KMHL holds 36 per cent, Barrick Gold Corporation and Zijin Mining Group both share 49 per cent, landowners 10 per cent and while the Mineral Resources Enga (MRE) has five per cent. “Under the arrangement, both the provincial government and the landowner entities are going to be carried for the duration of the project moving forward,” Dr Temu said.

“This means that they don’t pay their share of the costs that are required from each of the shareholders. “This will be carried by Kumul Minerals so under the arrangement, Kumul Mineral’s share of the dividends are going to go towards paying off the cost of the care and maintenance that has been incurred by Barrick over the last two or three years now and the cost of the operations moving forward. “And under that arrangement unfortunately, Kumul Minerals is not going to secure any cash-flow or any dividends for the next 10 years moving forward because its dividend is going to be swept for the payment of the 51 per cent interest that the country has under the new Porgera arrangement.”

Morobe can’t enforce law on environment permit: Official

May 24, 2023, The National Business

THE Morobe administration only plays a supervisory role when it comes to enforcing the provisions of the environment permit. Morobe acting mining adviser Robin Kiki revealed this at an information session hosted by the Lae Chamber of Commerce and Industry (LCCI) and the Conservation and Environment Protection Authority (Cepa) in Lae recently. Kiki said his office has no powers to enforce penalties on non-compliance relating to the provisions of the environment permit. He added that at the moment, his office only conducted inspections based on complaints raised by companies related to the breaches on the environment permit under the Mining Act. Kiki also revealed that his office had never been approached by businesses in Lae for information regarding environmental and waste management regulations or even the current regulatory or penalty fees structure.

Responding to Kiki, Brandan Trawen, from Cepa, announced that the authority was embarking on partnering with the Morobe government through an agreement to ensure that there were enforcement agents on the ground. Trawen said through this agreement, Cepa would ensure that environmental health inspectors attached with the Morobe government could act as Cepa agents to enforce the provisions of the Environment Act and penalise accordingly when there was non-compliance. According to Cepa, an environment permit is issued to each industrial business on three main categories based on the nature of the business. “The three categories are high hazard and impact operation, dangerous and low hazard and impact activities,” Trawen explained. These environmental permits are issued to only one permit holder.

Signing, a step closer to reopening

By PETER ESILA, May 23, 2023, The National Business

MINING Minister Sir Ano Pala has signed three instruments for the road towards reopening of the Porgera Gold mine in Enga. Sir Ano, in Port Moresby yesterday, said under the Porgera Project Commencement Agreement (PPCA), amended PPCA and other agreements, several milestones were agreed as a consequence of negotiations between parties. “The transfer of the tenements indicates the final progressive steps toward reopening the mine.” The transfer instruments include:

- EXPLORATION Licence (EL) 454 to New Porgera Ltd (NPL) from Barrick Ltd;
- UPLIFT the Reservation over Porgera area; and,
- TRANSFER of SML (Special Mining Lease) 11 from Kumul Mineral Holdings Ltd to NPL.

The NPL is the new vehicle for Porgera mine and the shareholders are BNL (49 per cent), Kumul Minerals (Porgera) Ltd (36 per cent), landowners (10 per cent) and Mineral Resources Enga (five per cent). “It gives me great pleasure, to sign the said transfer of instruments for Porgera Tenements,” Sir Ano said. Sir Ano, who is also the Rigo MP, said subsequent applications and processing of variations or new tenement applications would rest with the NPL board. “My ministry and Mineral Resource Authority (MRA) will ensure we discharge our statutory obligations

expeditiously, to ensure the Porgera mine reopens swiftly,” Sir Ano said. “I want to inform our people in Porgera, that significant progress has been made on the ground, including the MRA permitting BNL to start the processing equipment, and have them ready and in a good starting mode in preparation for the reopening of the mine,” he added.

Morobe environment board concerned about alluvial mining risks

By GLORIA BAUAI, May 22, 2023, The National Business

ALLUVIAL mining has been blamed for irreversible environmental damage by ignorant small-scale miners in Bulolo. Morobe environment and conservation board chairman Kolo Mathia and mine chairman Waka Daimon said a collaborative effort between their agencies and Mineral Resources Authority (MRA) was needed to manage the damage for future generations. The National’s attempts to seek MRA’s work in this space has been unsuccessful since last week. Meanwhile, the Conservation and Environment Protection Authority (Cepa) said small-scale operations prescribed to have environment permits were subjected to the Environment Act (2000), but through the medium they were attached to. Cepa’s scientific officer Shirley Mole said in the case of alluvial mining, lease holders would be answerable to MRA and Mineral Resources Development Company (MRDC). “There are prescribed activities that capture alluvial small-scale miners and permit holders,” Mole said.

“For small backfills disrupting gardens and other environmental issues, under the regulatory regime, we can give environment clearance permit to manage their activity,” she said. “But the approach is to use the medium that they are more attached to which in this case is MRA and MRDC to get records of that. “Alluvial mines fall under level three for the description itself but in terms of the activity, it can either be level one, two or three, depending on the impact.” Mole said validity of the environment permit was given according to their activity. “For example, if it’s mining and has a bigger impact, we expect rehabilitation to the environment to return it to the way it was when they started – this sort of activities take time, money and resources so the permit validity can be up to 90 to 100 years. “To deal with the environment is broad, so we look at the implications that arise every day; hence, we try to be lenient with the number of years,” Mole added.

K92 mine budgets K63 million for expansion

May 19, 2023, The National Business

K92 MINING has a K63 million budget this year to cover investment in exploration and expansion, says chief operations officer Warren Uyen. Uyen told the Australia-Papua New Guinea Business Forum on Wednesday that K92 won the *Thayer Lindsey Award* in 2021 – given to explorationists for discovering a recent “significant mineral discovery that’s recognised globally”. The K92 work force is made up of 95 per cent PNG nationals and has contributed K3.2 million to community investment. It bought the Kainantu gold mine from Barrick Gold in 2015. The mine was on a care and maintenance status before the purchase. It was considered a “unprofitably mined Irumafimpa deposit” by Barrick but after continued mining of the Irumafimpa deposit and explorations in the surrounding areas, they saw new exploration discoveries. K92 transformed the struggling mine into a mine with its revenue second only to the Ok Tedi Mining Ltd. The Irumafimpa deposit refers to “a large number of priority vein and porphyry targets”. Porphyry deposits determine the value of ore-minerals that make up copper, gold, silver and other metals.

Mining merger seen as crucial

By DANIEL EALEDONA, May 19, 2023, The National Business

TWO of the world's leading gold producers will set a new benchmark in gold production and growing exploration in copper, an executive of an Australian miner says. Newcrest Mining Ltd's country manager Stanley Komunt said the merger with America's Newmont Ltd was expected to be concluded before year's end. Speaking at the final day of the Australia-PNG Business Forum and Trade Expo in Port Moresby yesterday, Komunt said "it would take the next couple of months for the merger between Newcrest and American gold giant Newmont Ltd to be completed, through the process of transactions, shareholder and regulatory approvals from Papua New Guinea, Australia and Canada, would likely see the transaction complete by the end of this year".

Komunt echoed comments by Newcrest chairman Peter Tomsett saying, "the merger would push Newcrest to be a market leader in gold production and benefiting from shared resources in oil exploration", that is expected to see the revenues for PNG economy increase through the experience in gold mining Newmont provides. Komunt added that "during this transaction period, Newcrest mining is fully committed to addressing the Wafi-Golpu project in Morobe and oversee mine operations at the Lihir mine, New Ireland". He highlighted that mining had been the backbone of the PNG economy for decades and would continue into the future.

"Given the global demand for PNG's gold product, especially copper, that will soon meet global demand," Komunt said. He said Lihir, in its financial year 2022, contributed to the PNG economy about K180 million in royalties and production value of K287 million in cooperate tax, customs duties and operating tax, and significantly PNG paid K1.3 billion to the country's partners with about K553 million of the money going to local partners. "Newcrest is welcoming the merger with Newmont Ltd as an opportunity to see increased mining agendas met through a leading new trend in mine sustainability through green innovations in technology, high copper exploration and processing through the merger that is considered globally as 'the world's two best gold producers'."

AWI-Forschende weisen hohe natürliche Radioaktivität in Manganknollen nach Neue Studie zeigt: Der Umgang mit Manganknollen birgt Gesundheitsrisiken

Alfred-Wegener-Institut, 17. Mai 2023



Ein Tiefsee-Oktopus sitzt auf einer Manganknolle (Foto: AWI / OFOS)

Manganknollen am Grund der Tiefsee enthalten wertvolle Metalle, die etwa für die Elektro- und Stahlindustrie von zentraler Bedeutung sind. Um die steigende Nachfrage nach Rohstoffen wie Kobalt und Seltenen Erden zu decken, setzen Industrie und einige Staaten deshalb große Hoffnungen in den Tiefseebergbau. Dass der nicht nur ökologische Folgen hat, sondern auch zu einer Gesundheitsgefährdung bei der industriellen Gewinnung und Verarbeitung der Knollen führen kann,

zeigen Forschende des Alfred-Wegener-Instituts in einer nun im Fachmagazin Scientific Reports erschienenen Studie. Demnach überschreitet etwa die Aktivität von Radium-226 in den Knollen einen in der deutschen Strahlenschutzverordnung festgelegten Grenzwert teilweise um das Hundert- bis Tausendfache.

Weite Teile des Tiefseebodens sind mit metallhaltigen Knollen und Krusten bedeckt. Die kartoffelgroßen Manganknollen finden sich in allen Ozeanen, vor allem aber im Pazifik in 4.000 bis 6.000 Meter Wassertiefe. Sie bilden sich sehr langsam über mehrere Millionen Jahre hinweg und enthalten wertvolle Metalle wie Kupfer, Nickel, Kobalt oder Seltene Erden – Elemente also, die auch bei der Herstellung elektronischer Produkte wie Computer, Mobiltelefone, Batterien, Magnete, Motoren und andere High-Tech-Komponenten benötigt werden. In den letzten Jahren rückten daher verstärkt Manganknollen und Tiefseebergbau in den Fokus von Wirtschaft und Politik.

Besonders große Mengen von Manganknollen finden sich in den Tiefen der Clarion-Clipperton-Zone im Nordpazifik zwischen Mexiko und Hawaii. Eine Reihe von Staaten – darunter auch die Bundesrepublik Deutschland – hat dort Explorationslizenzen erworben, um zunächst Referenzdaten in den Lizenzgebieten zu erheben und darauf aufbauend die möglichen ökologischen Auswirkungen eines kommerziellen Abbaus von Manganknollen auf die Tiefsee zu ermitteln. Im Juli 2023 will die zuständige Internationale Meeresbodenbehörde (ISA) konkrete Regeln für die industrielle Förderung festlegen.

„Seit 2015 untersuchen wir im Rahmen der vom Bundesministerium für Bildung und Forschung geförderten Projekte der Joint Programming Initiative Ozeane ‚MiningImpact‘ und ‚MiningImpact2‘ in einem internationalen Konsortium von über 30 Partnerinstitutionen, welche Auswirkungen der Tiefseebergbau auf die Lebensräume und Ökosysteme der Sedimente und der Wassersäule im Pazifik haben würde“, erklärt Prof. Dr. Sabine Kasten, Projektleiterin der MiningImpact-Vorhaben am Alfred-Wegener-Institut, Helmholtz-Zentrum für Polar- und Meeresforschung (AWI). „Unsere neue Studie zur Radioaktivität von Manganknollen zeigt nun, dass sich neben den Folgen für die Meeresökosysteme auch potenzielle Gesundheitsgefahren für Menschen im Zusammenhang mit der Förderung und Verarbeitung von Manganknollen sowie der Nutzung der daraus gewonnenen Produkte ergeben können. Diese müssen bei den weiteren Planungen dringend berücksichtigt werden.“



Manganknollen (Foto: Thomas Ronge)

Für die nun im Fachmagazin „Scientific Reports“ erschienene Studie haben die AWI-Forschenden Manganknollen untersucht, die im Zuge von zwei Expeditionen (2015 und 2019) des Forschungsschiffs SONNE in der Clarion-Clipperton-Zone gewonnen wurden. „Aus früheren Studien war bereits bekannt, dass die äußere Schicht der Manganknollen auch natürliche radioaktive Stoffe wie Thorium-230 und Radium-226 enthält, die sie über lange Zeiträume aus dem Meerwasser anreichern. Allerdings wurden diese Werte bisher noch nicht im Kontext der Strahlenschutzgesetzgebung betrachtet“, sagt Studiererstautorin und Biogeochemikerin Dr. Jessica Volz. „Unsere Studie

zeigt nun, dass die äußere Schicht der extrem langsam wachsenden Knollen für bestimmte Alphastrahler Werte des Hundert- bis Tausendfachen einiger Grenzwerte erreichen kann, die im Rahmen von Strahlenschutzregelungen gesetzt sind“.

Für Radium-226 etwa konnte das AWI-Team Aktivitäten von oftmals über 5 Becquerel pro Gramm auf der Außenseite der Manganknollen nachweisen. Zum Vergleich: Die deutsche Strahlenschutzverordnung sieht für eine uneingeschränkte Freigabe Höchstwerte von lediglich 0,01 Becquerel pro Gramm vor. Und selbst beim Umgang mit Altlasten aus dem Uranerzbergbau muss je nach Situation bereits oberhalb von gemessenen Höchstwerten von 0,2 beziehungsweise 1 Becquerel pro Gramm eine genaue Gefährdungsprüfung erfolgen. „Obwohl wir aus früheren Studien wussten, dass wir in den Knollen mit einer beträchtlichen Radioaktivität rechnen müssen, hat uns die tatsächlich gemessene Höhe doch überrascht“, erklärt AWI-Forscher und Studien-Coautor Dr. Walter Geibert. „Besonders die hohe Bildungsrate des radioaktiven Edelgases Radon war ein neuer Befund.“

Damit kann der ungeschützte Umgang mit Manganknollen ein Gesundheitsrisiko darstellen. Und das nicht nur beim Einatmen der bei ihrer Verarbeitung entstehenden Stäube, sondern auch durch die hohen Radon-Konzentrationen, die sich beim Lagern in schlecht belüfteten Räumen bilden. Auch in den angestrebten Produkten aus Manganknollen dürften sich einige radioaktive Stoffe anreichern, so zum Beispiel Actinium-227 in den Seltenen Erden.“ Ob alle Manganknollen verschiedener Tiefseeregionen solche Werte erreichen und wie auf Basis dieser neuen Erkenntnisse die ökologischen, ökonomischen und sozialen Risiken von Tiefseebergbau und der Verwertung von Manganknollen einzuschätzen sind, wollen die Forschenden in Folgestudien herausfinden.

Die Studie wurde gefördert vom Bundesministerium für Bildung und Forschung (BMBF Grant 535 03F0812F) im Rahmen des JPI-Oceans-Projekts „MiningImpact2 – Environmental impacts and risks of deep-sea mining“. Die Vorhaben MiningImpact und MiningImpact2 wurden vom GEOMAR Helmholtz-Zentrum für Ozeanforschung Kiel koordiniert. Die oben beschriebene Studie ist im Rahmen des Projektteils am Alfred-Wegener-Institut, Helmholtz-Zentrum für Polar- und Meeresforschung in Bremerhaven entstanden.

MRA urged to consult LLGs before issuing leases to small-scale miners

May 17, 2023, The National Business

LOCAL level governments (LLGs) must be included in any consultation before alluvial mining leases are issued by the Mineral Resource Authority to small-scale miners, an official says. Morobe’s mine committee chairman Waka Daimon said his district, Bulolo, was home to a vast alluvial mining industry. Daimon said the industry, however, operated without any consultation with the local level government councils, which had seen concerns of environmental damage, questionable local participation plus law and order. “Although there are alluvial mining activities starting from Bulolo down to the Markham River, we as the LLG, nor the provincial mine division have any record of the participants,” he said. “We have alluvial mining leases issued on existing villages, there are schools and aid posts there.

“Mechanised alluvial miners have done more environmental destruction, leaving behind large craters and barren land when they moved on.” Daimon said the inclusion of LLGs, districts and provincial governments would see a fair representation and safer practices in the best interest of locals. “We would like for MRA to include us when trying to issue a permit,” he said. “We would like to ensure that any alluvial mine project must have a proper plan for its tributors under that lease – do a proper survey, understand the background of the families involved. “There must be a memorandum of understanding with the LLG council and a certain percentage towards this sub-level government. “Importantly, we want to see a proper environmental and mine closure plan so we can hold them

accountable. “After the mining project is completed, any holes made must be backfilled with fertile soil so that communities living along those riverbeds can return with ease of using those rivers.”

K92 mine sees more ore processed

May 17, 2023, The National Business

K92 MINING Inc chief executive officer and director John Lewins says the company continues to expand its operational capabilities during the first quarter of this year. “Firstly, the process plant has continued to perform well, setting a new monthly ore processed record in March of 1,490 tonnes per day, which is nine per cent higher than the Stage 2A expansion design of 1,370 tonne per day,” he said. “The plant also delivered multiple new daily records well in excess of the Stage 2A expansion design, with the latest record of 1,815 ore tonnes processed on March 11.

“Importantly, this strong performance was achieved prior to the commissioning of the additional flotation cells being installed for the Stage 2A expansion. “And I am pleased to report that this final upgrade is currently in the wet commissioning phase. “Completion of this upgrade is expected to provide a boost to metallurgical recoveries and plant flexibility to potentially increase throughput further. “In terms of the underground mine, having returned from site last month, the operational performance has made improvement in the second quarter.”

High social, environmental standards seen as key

May 17, 2023, The National Business



PAPUA New Guinea needs to ensure high social and environmental standards in the resource sector, says Institute of National Affairs executive director Paul Barker. Barker said projects invariably had impacts, both in extraction and waste management. “PNG’s natural environment is internationally recognised, including the need to safeguard the welfare of local communities living downstream from resource projects, with their dependence also on the river, and marine life, food gardens and forests,” he said. “Rigorous assessments and application of high standards are a must. “However, it is the waste of time and resources spent with an inefficient and uncoordinated bureaucracy, and unstable policy environment, which pushes up costs, while providing no associated benefits for the country, yet raising costs and, therefore, reducing potential benefits to PNG and its

resource owners, as well as to the investors.”

Barker said there were companies making sound returns in PNG’s extractive resource sector. “With the relatively high prices and sound prospects for some commodities from gold, some greener energy minerals like copper, nickel and cobalt, as well as for gas since last February and in the shorter-medium run,” he said. “Several major resource projects are reaching the end of their operating lives. “But with perceived extensions possible from adjoining resources and even in Bougainville, consideration of re-opening of the controversial major mine is sought by various stakeholders, but again different perspectives and the need for community consensus add to uncertainty. “Some of the smaller and recent developed mines seem to have shown a successful and entrepreneurial path forward but also readily engaging with government and landowners, and contributing taxes, and perhaps showing a positive way forward which could be emulated by bigger firms.”

Business arm seen as a burden to Morobe govt

By GLORIA BAUAI, May 18, 2023, The National Business

MOROBE Alluvial Mining Ltd (MAML) has been a financial burden to the provincial government since its establishment in 2021, provincial mines chairman Waka Daimon says. MAML is a subsidiary of the provincial government’s business arm established by the provincial executive committee (PEC) through decision 07/2021. The company was the brainchild of then governor Ginson Saonu which was granted four exploration licences and three mining leases with the aim to mine and complement the development of a gold refinery in the province. Daimon said to date, the company had only accrued costs and liabilities totalling up to K21 million and had no record of revenue or any declared gold deposits.

It was reported that MAML was set up at a total cost of K20 million and allocated K5 million annually. “So MPG was funding it but no return turnover since so we had to temporarily stop operations for a while,” he said. “An initial capital is to start you off and you need to care for yourself and the operations like pay your workers. “We visited the site to see that work had progressed since its establishment but there has been nothing to show for. “We still have many former staff coming to the office, asking the provincial government to pay out their outstanding fees.”

Daimon said the Morobe government’s mine division and its business arm would screen all claims and its workforce as well as the use of funds by management before a decision was made. Daimon confirmed that machinery under MAML on mine sites at Sandy Creek and Maus Kaindi in Wau and Widupose in Bulolo were brought back to Lae to remain under the custody of the business arm. A PEC decision 52/2022 under Governor Luther Wenge revoked the establishment of all businesses by the previous administration, including MAML. MAML lease holder Peter Seske presented a report claiming a total of K21 million in liabilities since the decision to nullify the business.

Unaccounted gold taken through illegal mining

BY DALE LUMA, Post-Courier, 16 May 2023

PRIME Minister James Marape says the country has a lot of unaccounted gold taken out of the country through illegal mining. “We have a lot of illegal miners with gold going out in briefcases,” Mr Marape said. The government has a long range vision of having its own gold being refined in its own refinery, which the policy spells out the steps going forward. “Those of you in the industry proper, you subscribe to the MDC (Mining Development Contracts) but we also have a lot of illegal miners. “That’s unaccounted gold going out and the pure alluvial miners are toiling. “We want to change that and account for every gold that is produced in our country and in the earliest stages

processing them in our own refinery with our stamp and you can take it to export. We may keep some stabilise our economy.

“It’s a long-range focus, but we will not do all of them in one go, the policy spells out the steps to get there to have gold reserves, gold bullion and gold refinery but in the first instance, accounting for every gold which is harvested in our country.” He said: “I am, therefore, greatly honoured to announce this milestone National Gold Bullion Policy developed to charter a new direction for the gold bullion industry, particularly to add value through downstream processing and manufacturing. “The government requires a vibrant and competitive National Gold Bullion Policy to support its macroeconomic and fiscal policy functions, which will grow and sustain our economy, create wealth and improve quality of life for our people. This will in turn provide economic stability in times of uncertainties.”

Campaigners push corporations to divest in deep sea mining, as major shipping company Maersk pulls investment. By Prianka Srinivasan, ABC Pacific Beat, 16 May 2023



The Mining Company says its venture will be very profitable to investors and Pacific partners, but some say the risks are too high. (Supplied: The Metals Company)



Nodules collected from the seabed can contain essential battery metals. (Supplied: The Metals Company) (Supplied: The Metals Company)

Danish shipping company Maersk has become the latest company to pull its investment from deep sea mining. According to the Wall Street Journal, Maersk is looking to sell off its remaining 2.3 per cent share in the Metals Company, which controversially partnered with the government of Nauru to conduct deep sea mining trials in the Pacific. The move is part of dampening market interest in deep sea mining, say environmental campaigners — who are urging more companies to pull support from the nascent industry. Maersk's divestment follows a similar move by US weapons manufacturer Lockheed Martin earlier this year to sell off its deep-sea mining firm to Norway's Loke Marine Minerals.

Mining Watch Canada has been lobbying companies to end their support of deep sea mining on environmental and human rights grounds. But its Deep Seabed Mining campaigner Catherine Coumans said it was likely economic concerns that were prompting companies to pull their funding. "Companies such as BMW and Volkswagen and Volvo have pulled out, or have at least said that they won't source metals from the deep sea," Ms Coumans said. "I think to some extent that what we're seeing in the pull-outs are really just based on looking at the risks to financial investments." Ms Coumans believes there is a great financial risk for Pacific countries choosing to open their waters to deep-sea mining companies. "The payment regimes to countries, like how are taxes and royalties going to be run, is all up in the air," she said. "There'll be very little control over the impacts of that happening for the Pacific Island countries that partner with these companies."

K20.9b PNG LNG revenue

Post-Courier, 15 May 2023

As of April 2023, the government has received K20.9 billion as revenue from the PNG LNG project, according to operator ExxonMobil PNG Ltd. From infographs released by Exxon, the payment flows through five revenue streams which includes Distribution to Kumul Petroleum Holdings Limited (KPHL), Mineral Resources Development Company (MRDC) royalty payments, development levies and tax which goes back since 2014. The breakup includes:

- Kumul Petroleum Holding Limited (KPHL) – K8.6 billion;
- MRDC – K1.6 billion;
- Royalty – K1.1 billion;
- Development Levy K1 billion; and
- Tax – K8.6 billion.

According to Institute of National Affairs (INA) executive director Paul Barker when commenting on the revenues, some of the revenue flow to government has gone to consolidated revenue, where it contributes to the public goods the government provides, from education to health and police services and road and airport maintenance, and also to fund the DSIP program. "A large slice has also gone to Kumul Petroleum, a State enterprise, that seems to run a rather unaccountable parallel budget to the State, but which seems eager to invest in high end urban real estate, which is hardly a priority for most Papua New Guineans. "Public expenditure in PNG is of a very mixed quality, with a serious lack of accountability in many institutions.

"Over the past decade there has been some progress in giving young people, including girls, more if not necessarily better education opportunities, albeit that employment outlets have been pretty flat over that period." According to ExxonMobil's PNG LNG Environmental and Social Report – Annual 2022, in terms of production, PNG LNG continues to optimise production operations through the 'Big Value, Small Changes' focus that was introduced in 2021. This has helped the production

team achieve even greater plant efficiencies in 2022, resulting in 8.6 million tonnes of LNG produced and 114 LNG cargoes loaded during the year.

Since the start of production, more than 69 million tonnes of LNG have been produced, with 920 LNG cargoes and 86 naphtha cargoes loaded for customers in Asia. In July 2022, a new daily LNG production record of 9.4 million tonnes per year equivalent was achieved, and the highest daily level of naphtha production was also recorded at 722 cubic metres per day on average compared to the previous record of 579 cubic metres per day on average. More than 96 per cent uptime was sustained throughout the year, which included both scheduled and unscheduled maintenance.

Refine gold here: Marape

By PETER ESILA, May 15, 2023, The National Main Stories

ALL gold produced in the country must be sold to the Bank of Papua New Guinea to be refined into bullion, says Prime Minister James Marape. He said during the launching of the PNG National Gold Bullion Policy in Port Moresby on Friday that the Government would establish a competent domestic gold bullion programme to refine high-grade gold through a national gold refinery to be set up. “Gold to be processed and refined to 99.99 per cent pure gold, we can ensure that our country receives fair compensation for its gold resources and that all gold produced is accounted for,” he said. In 2019, the mining industry generated a production value of K14.2 billion, a share of total exports of 40 per cent, contributed 17.2 per cent of gross domestic product, and created 13,314 employment positions (according to the Extractive Industries Transparency Initiative Report 2019), and was a major source of foreign exchange.

“This policy establishes a streamlined process for the export of gold and will make it easier for legitimate exporters to operate within the law and reduce smuggling and illegal activities,” Marape said. “This process will also provide greater transparency and accountability in the gold industry, enabling the government to regulate the industry more effectively.” He said an important aspect of the policy was the establishment of the Gold Reserve Bank which would be responsible for managing the country’s gold reserves. “This will ensure that our country’s economic growth is sustainable and that we are not reliant on the volatile international gold market.

Marape said in the absence of a dedicated policy to regulate economic activities relative to the downstream processing and manufacturing of gold bullion, PNG had forfeited a significant amount of economic opportunities from tax revenues, job creation and foreign direct investments. “We cannot continue to allow to continue unabated in our economy. “All our gold and precious minerals are exported abroad and refined in offshore refineries, even though, we have one or two local refiners who smelt at the alleviate level many of our gold products are being shipped out for refining. “It is a standard provision in all mining development contracts that one-third of all gold products must be processed and stored domestically, if there is a refinery onshore meeting London Gold Bullion Standards. “This establishment will provide for the State to build and hold gold reserves, and to eventually enter into gold trading in the world market.”

Policy to safeguard small-scale miners

May 15, 2023, The National

THE National Gold Bullion Policy will enable small-scale mining productivity is improved and operates safely, says Prime Minister James Marape. He said during the policy launch in Port Moresby on Friday that little attention had been given to the alluvial mining sector in terms of appropriate policy interventions. “I reassure small-scale mining operators once again, that this policy is not

intended to disrupt or undermine your operations but provide opportunities for greater benefits. “It is crucial that we manage our gold resources in a responsible and sustainable manner,” he said. In 2019, production of alluvial gold in PNG was 119.904 ounces. In the same year, the declared alluvial gold export revenue under Gold Export Licences by the Central Bank totalled K549,698,436 and silver was K2,051,2392.

According to the policy, many of the alluvial gold miners, based on anecdotal evidence, were reportedly exploited in terms of price under-cutting. The alluvial miners lose out, while middlemen buyers make unethical gains of up to 80 to 90 per cent of the total value of gold. This policy will ensure that the notorious PNG gold industry middlemen are eradicated from the domestic gold market and are replaced by formally appointed buying offices, and trained and supervised buying agents, of the gold refinery located throughout the alluvial gold mining areas. The alluvial gold miners will be able to deal directly with the gold refinery rather than the middlemen. In addition, by exposing the malpractices of the middlemen and those participants in PNG and elsewhere, including foreign gold refineries, who have directly or indirectly aided, protected or benefitted from their abusive and, in cases, illegal activities, this policy seeks to:

- REFORM the alluvial gold mining sector;
- ENSURE that accurate records are kept of actual alluvial gold production;
- ENSURE that alluvial gold miners become an important, protected and valued part of the refined gold industry in PNG; and,
- IMPORTANTLY, that alluvial gold miners fairly share in the benefits of the new refined gold industry in PNG, and the benefits provided to the PNG gold industry, by the establishment and operation of the gold refinery.

Survey: PNG unattractive for investment

May 12, 2023, The National

PAPUA New Guinea is one of the least attractive places for mining investment, a global survey of mining companies has revealed. The Fraser Institute, which ranks investment attractiveness on the basis of geological attractiveness, best practices mineral potential and conducive government policies, announced in a survey published last week that PNG’s ranking has dropped continuously since 2018. The Canadian non-partisan think-tank institute reported that in 2018, PNG was ranked 41st out of 83 jurisdictions in the Investment Attractiveness Index. That placing has now slipped to 54th out of 62 jurisdictions. PNG has slipped from ranking 61st out of 83 jurisdictions in the Policy Perception Index in 2018 to a new low of 57th out of 62 jurisdictions in 2022.

PNG Chamber of Mines and Petroleum president Anthony Smare said an urgent dialogue with the Government and all stakeholders “must start to address this decline in PNG’s international standings”. Smare said: “The results of the Fraser Institute Global Survey shows how much PNG has fallen as an international destination for mining investment and needs to be urgently addressed. “If we want this industry to have a future, to provide employment, business opportunities, royalties, dividends, taxes and other benefits, it is imperative that all stakeholders, led by the Government, take note of these survey results, and engage in dialogue to urgently address the policy matters deterring investment in PNG, particularly regulatory uncertainty and aspects of our taxation incentives.”

The release of the survey results dampens a week of government activity and hype towards attracting investment and promoting an environment of trade driven economic growth. The government, through the Ministry of International Trade and Investment, ramped up its policies and plans to open up PNG as an investment destination with a Special Economic Zone seminar, the launch of

information guides for traders and investors and with the projected launch today of the gold bullion policy.

Ok Tedi foundation builds homes for locals

May 12, 2023, The National



From left: Gorowa Twanai, Tumba Worin and Darium Wose in front of their new three-bedroom house.

FOUR houses were recently funded and built by the Miamrae village housing project through the Ok Tedi Development Fund (OTDF) under the Community Mine Continuation Agreement (CMCA) in Western. OTDF said houses were part of 10 for Miamrae village in the Wai Tri Trust region – six are scheduled to be completed by the end of the year. Wai Tri Trust region chairman Gran Somoe said the project’s success went beyond the construction of homes as it included off-grid power and water tanks which would be sustainable and eco-friendly. He said the project’s innovative aspects demonstrated the potential for sustainable development in the region.

OTDF executive manager of programme services Eric Kuman said the foundation was committed to support project delivery. He said the funding only covered construction costs while they had organised the logistics. He said OTDF had shown its dedication and commitment to the region with the progress of the project ensuring that the remaining six houses were completed by year’s end. An owner of one the houses, Tumba Worin, expressed her gratitude to OTDF and stakeholders for improving their lives. Worin said the house would provide shelter and security for her family in years to come. Village planning committee chairman Tony Wainu thanked OTDF for delivering the first four houses. OTDF delivers projects as compensation to the mine impacted communities.

State of Emergency will help solve issue: MP

May 12, 2023, The National Business

PORGERA-PAIELA MP Maso Karipe has called on the Government to declare a State of Emergency in Porgera – to ensure a smooth reopening of the gold mine soon. “The state of emergency operations will get to the bottom of the issue and dig out the main cause before the mine re-opens,” he added. “How can the mine re-open when there is still fighting in the valley?” He arranged peace talks with the leaders of the Nomali and Aiyel clans and “came to the understanding to cease fighting”. “But it seems that it is not enough. They want to continue fighting, which is not good,” Karipe said. He said since the mine closure in 2019, there had been no permanent police team in the valley. “I have already submitted the petition to the Government, before the Parliamentary Committee on Law and Order, to declare a State of Emergency,” he said.

“It is in progress and finally it will go through Parliament to pass it. “The tribal fights have resulted in the closure of business houses, schools and public offices – including the loss of many innocent lives.” He said there had been attempts by the Porgera district peace committee to talk to the two warring clans. “They signed an agreement to cease fighting, but since there were no permanent law enforcers on the ground, the fighting started again in the valley resulting in the loss of lives,” he said. He added that Parliament must approve the declaration of the state of emergency. “It should be declared in the valley for a long time because such tribal fights ignite anytime,” he said. “Porgerans are good people with no intention to continue fighting.”

Porgera troubles ongoing

May 12, 2023, The National

FIGHTING and other disruptive activities continue to escalate in Porgera, Enga, despite the efforts by law enforcement authorities and church stakeholders to stop the conflict and establish peace, says a women leader. Porgera Women in Business president Elizabeth Iarume said this in a statement this week. “The fighting has escalated and guns rule by day and night here in Porgera,” she said. “Innocent lives are taken, communities are displaced and homes and properties in the thousands are destroyed, for how long?” Iarume said the Government, provincial government, landowners and PJV needed to work together to address the issues.

“We need a higher level of leadership to come in and take control of the situation,” she said. “We need the State and the provincial government to also come in and participate. “If we want to stop this, we have to look at the root cause and everybody should be involved.” Iarume had called for a higher level of Government intervention and leadership to resolve the ongoing tribal conflicts between Nomali and Aiyala clans. Porgera Urban town councillor Peter Mark Malipu said the district administration must function and be present on the ground to provide the link between the community and the upper levels of government. “Instead of uniting for a common cause to fight the lawlessness, leaders are instead fighting among themselves,” he said. “Where does that leave the people?”

Temu picked as NPL director

May 12, 2023, The National Business

DR Ila Temu has been appointed a director of the New Porgera Ltd (NPL). According to a statement from Barrick Niugini Ltd yesterday, Temu was nominated by Kumul Minerals Holdings Ltd (KMHL) which holds the State’s interest in New Porgera. Temu’s appointment was confirmed at a meeting of the NPL shareholders held on Monday. Temu has over 25 years’ experience in the mining industry and a respected figure in local business community. He is also the KMHL chairman. The NPL is 49 per cent owned by Barrick Niugini shareholders, and 51 per cent by PNG stakeholders.

Company to provide majority funding for Legacy Impact Assessment

BY DALE LUMA, Post-Courier, 11 May 2023

Rio Tinto PNG country director Andrew Cooper says the company is committed to providing majority of the funding for the Legacy Impact Assessment (LIA), with Bougainville Copper Limited also contributing to the costs. The independent LIA was launched by President of the Autonomous Region of Bougainville Ishmael Toroama in December 2022 and field work began in February this year. “The Legacy Impact Assessment will provide all parties with a clearer understanding of the

impacts of the Panguna Mine, which our former subsidiary Bougainville Copper Limited operated from 1972 to 1989,” Mr Cooper said. “The first phase of the Legacy Impact Assessment will continue until the second half of 2024 and will provide all parties with a clearer understanding of the impacts, so that together we can consider the best way forward.

“Rio Tinto is committed to acting in line with its external environmental and human rights commitments. We have been pleased with the progress.” It is understood for the first time in more than 30 years, Rio Tinto staff have visited Buka and held very constructive and collaborative meetings with other members of the LIA oversight committee, ABG, and community leaders. A special purpose company with independent directors has been set up to fund the Impact Assessment. “What makes the LIA so important is its independence and multistakeholder leadership,” Mr Cooper said. “Findings from the field work will be shared with all members of the Oversight Committee made up of landowner representatives, the ABG, Government of PNG, civil society, Rio Tinto and BCL.”

Aust firm invited to fund community projects

May 11, 2023, The National Business

A GROUP of landowners from the Wafi-Golpu copper-gold project area in Morobe have invited an Australian company to fund community-based development. The Pacific Services Group (PSG) will partner with the Hengambu Landowners Association Inc, through its business arm, Hengambu Development Corporation. It is expected to build roads and provide electricity for their village, plus business and job opportunities for the locals. The parties signed a memorandum of agreement in Port Moresby on Monday. Association chairman and company president John Nema said they decided to seek funding to boost the livelihood of Hengambu people in preparation for the project operations in the area.

“We will invite the Government and developer to come in with their aid for these community-based projects whenever they can,” he said. “But for now, we need a head-start for the benefit of our people. The PSG will help us do that. “There were commitments under the business development grant, but it’s important to come up with other options to partner with reputable companies to start us off.” The four chiefs of Elum, Demago, Gwagof and Tuko clans were present with Hengambu development corporation chief executive officer John Konga and PSG director Matthew Simmons. Nema said the signing was timely as each member of the corporation was in the city for a landowners’ group training.

Mines urged to back cocoa development

By GLORIA BAUAI, May 10, 2023, The National Business

The successful partnership with Wafi-Golpu joint venture has seen the PNG Cocoa Board reaching out to other mining project developers to establish more public-private partnerships. Acting chief executive officer Anthony Vigil said the board’s biggest partners were development authorities (DAs) across the country. “WGJV is our only private sector partner with whom we have had a standing agreement with, to push our cocoa extension work,” he said. Vigil said the board would sign a partnership this week with World Vision PNG and Usino-Bundi DA for a major cocoa development in the area. “We’re also inviting other private organisations like Ramu Nickel to empower people living around their mining areas,” he said. “We’re considering Ok Tedi, Lihir and St Barbara Ltd (Simberi gold); those are major players in the mining sector, so talks are ongoing and once finalised, we will kick off cocoa programmes for their mine impacted communities.

“We’re focused here on mines with the reason being that while the mine project itself employs skilled technical labour, the cocoa programmes will truly benefit the local villagers.” Vigil said PNG’s cocoa industry currently involved close to two million people, generating over K300 million annually. He added that the Cocoa Board would be opening an office in Kundiawa, Chimbu, equipped with a newly purchased vehicle to cover the Highlands. “This shows that the industry is growing,” he said. “Our focus areas this year will be the Highlands and Southern where they are growing but not to a larger extent. “We want to grow the industry by 10 per cent every year; our production in the last cocoa year was 41,000 tonnes from 38,000 tonnes the year prior.”

ILG certificates must be a requirement: Official

May 9, 2023, The National Business

Recently registered Babwaf Saab Incorporated Landowner Group has argued that ILG certificates should be a requirement by State and developers when dealing with landowner associations on mining projects. Chairman Bill Itamar said ILG certificates generally gave exclusive rights for landowners to negotiate on benefits sharing arrangements. He said, however, the Mineral Resources Authority recognised only landowner associations as per the Mining Act. “Associations are run by the Associations Incorporation Act and ILGs are run by ILG Incorporation Act,” he said. “These two legislations run parallel to each other but contradict one and other in the matters of dealing with land. “An association has no substance compared to an ILG on proof of legitimacy. “Mining is conducted on land so an ILG which touches on property lease covering land portion and customary ownership and rights and processes would be more appropriate to deal with.

“They must find a balance between associations and ILGs so it determines decisions with (regards to) real ownership.” Itamar said the Babwaf Saab were the principal landowners of Magense land on which Wafi-Golpu gold-copper project’s Special Mining Lease 10 is situated. The ILG consists of 12 clans across the Huon-Gulf’s Wampar, covering a population close to 20,000. He said following a lengthy battle through the land court since 1981, the state finally recognised Babwaf Saab of Wampar over Bulolo’s Yanta and Hengambu clans. “This is to let the State know that I have a right over my land Mangense which SML 10 is on and I also have my own association, Babwaf Saab landowner association which fulfils the Mining Act and I must be included in the negotiations.”

Huon Gulf administrator Andrew Namuesh said he had screened the court orders and was satisfied before signing off forms seven and eight, making them eligible for ILG certification. “When you have an ILG, you have an upper-hand of all the business dealings and anything that you want to do cannot be challenged or even if it is, they will always go back to the drawing board,” Itamar said. “Since coming in as the administrator, I’ve seen that Huon Gulf has been silent on Wafi-Golpu, compared with Bulolo and maybe Menyamyama,” he said. “Now that we have this ILG recognised by Lands Department and goPNG, we can use this to come in hard, talk to our people that the land on which the project lies is situated in our district.”

Agents distance themselves from their treasurer over compo issues

May 8, 2023, The National Business

FOUR Special Mining Lease landowner agents of the New Porgera Landowner Association (PLOA) have distanced themselves from their treasurer, Nixon Mangape, on compensation issues. But Mangape yesterday said they did not represent the affected landowners. “I am the paramount chief and executive treasurer of the PLOA, and chairman of the Porgera Development Authority,” he said. “I have right to protect the SML landowner land and their wellbeing. Therefore their comments are not supported by 50,000 SML landowners.” The four agents are Joe Kale (Tieni-Akira

Clan), Max Piawene (Angalaini Oyopene Clan), Payako Yope (Pulumaini Ambo Wangia Clan) and Philipene Pyakape (Pulumaini Ambo Endeme Clan). They are supported by SML councillor Peleka Ayiapa and Tieni Wuape, and clan leader Steven Mangape.

Mangape, who is one of the agents, recently claimed that the Barrick Niugini Limited currently managing the mine site under care and maintenance status, was trespassing customary land since the SML1 expired. Mangape gave Barrick a 14-day notice to stop work and demanded K400 million as compensation for the alleged trespassing. The four agents and community leaders said Mangape did not represent the views of the association. Kale explained that the association did not have an official meeting as required by its constitution, to agree on the 14-day stop-work and the K400 million demand. He urged Mangape to work with association executives and the chairman Ekapa, and prepare for the re-opening of the mine. He said it was critical that the association's leadership be stable, and focused on preparing for the development forum.

MRA to recognise LOs

By Gloria Bauai, May 8, 2023, The National Business

THE Wafi-Golpu Joint Venture (WGJV) will recognise landowner groups as advised by the Mineral Resources Authority, an official says. WGJV's head of external relations David Wissink clarified this following a number of Integrated Landowner Groups (ILGs) wanting to be part of the gold-copper project negotiations. "The recent framework memorandum of understanding will lead to a mining development contract between the WGJV participants and the State," Wissink said. "Once this has been completed, the mining minister, not the WGJV, will invite landowner associations to a development forum for a series of discussions and negotiations on a wide range of project benefits."

He added that the WGJV looked forward to progressing the project with the rightful landowners, the Morobe government and State agencies. He said the WGJV had established the Public Information Centre at the Papindo Mall for anyone wanting more information, or contact the MRA. The National has reached out to the MRA to confirm the recognised associations and is yet to receive a response. Recently registered ILG, the Bawaaf Saab, claiming to be the legitimate landowners of about 80 per cent of the land which the special mining lease covers, says the Mining Act of 1992 should be reviewed. Chairman Bill Itamar argued that the review must find a balance between recognising ILGs and associations in mining projects.

New Caledonia - smelter spillage

Radio New Zealand, 8 May 2023

The alert has been lifted in New Caledonia after the SLN nickel smelter reported a fuel spillage on Friday. The company said about a litre of fuel ended up in a drainage pipe as a result of recent heavy rain. An incident report is expected to be filed with the office of industries, mines and energy within the next two weeks. It was the second time in two weeks the maritime emergency plan was activated because of spillages at the SLN plant in Noumea. Last month, about 6,000 litres was accidentally discharged because of a broken pipe, but while most of it was contained, an estimated 40 litres seeped into the sea

Group stakes claim, miner Barrick wary

May 5, 2023, The National Business

BARRICK Niugini Limited (BNL) will not entertain unauthorised companies claiming to have contracts with the Porgera gold mine when it reopens. BNL said this in a statement after a group of

landowner's claimed to have missed out on contracts and benefits. Known as Ari Group Holdings Limited and representing 25 special mining lease clans of Porgera mine come out publicly on Tuesday raising their concern. They claimed that they were the rightful owners of the land on which the mine was located and through the company (AGHL) would own a complete ownership of the mine. Chairman Sol Taro said that the company was registered with Investment Promotion Authority and would be launched soon with the endorsement of BNL, government and shareholders. However, BNL announced that the claim by Ari Group advertisement for expression of interest had not been sanctioned or approved by BNL. BNL announced that they had not advertised or requested for expressions of interest for long term contracts as yet.

BCL records K6.9 million loss

May 5, 2023, The National Business

BOUGAINVILLE Copper Ltd recorded a loss of about K6.9 million in 2022, compared with the K6.1 million in the previous year, an official says. BCL chairman Sir Melchior Togolo said company expenditure last year continued to be concentrated on the tenure issues, stakeholders' engagement, and support for small scale community projects. Sir Melchior announced this during the group's annual general meeting (AGM) which was held in Port Moresby yesterday. "Bougainville Copper has total consolidation net assets of K98 million compared with K128 million in the previous year," he said. "The company has sufficient funds to cover planned recurrent expenditure in 2023 and remains debt free. "BCL's financial assets are cash and Australian equities. "Income from interest and dividends was K4 million in 2022 compared with K4.1 million in 2021."

Sir Melchior said fair valuation of the company's investments decreased by K22.7 million for 2022 compared with an increase of K12 million in 2021. Sir Melchior added that the company's investments in Australia listed securities decreased amid disruptions in global share markets influenced by rising inflation, rising interest rates, the Coronavirus pandemic-related supply disruptions, and the war in Ukraine. Meanwhile, Sir Melchior said the PNG Government would transfer its 36.4 per cent share in the company, free of any charges, to the Autonomous Bougainville Government (ABG). "In addition to the 36.4 per cent share ABG already owns, it brings the Bougainvillian shareholding in Bougainville copper to 72.8 per cent," he said. "A majority share. This is for the first time after BCL's 55-year history. "The company is now set to be majority owned by the government and people of Bougainville."

Madang Governor pledges to support Ramu NiCo

Post-Courier, 4 May 2023

Ramu NiCo Management (MCC) Limited, manager of the Ramu Nickel and Cobalt Project in Madang Province will get the backing of the current governor for Madang, Ramsey Pariwa. Coinciding with the meeting with the People's Republic of China's Ambassador, His Excellency Zeng Fanhua on the 27th of April, Governor Pariwa said he will do what he can as governor to support the company with its interest in making money or profit while his interest remains the people of Madang. He said, with the recent assistance of Ramu NiCo towards the Sir Peter Barter Education Scholarship program, the people of Madang are now feeling and seeing the presence of Ramu NiCo through its Ramu Nickel and Cobalt Project in the province, so it continues to support services to the people of Madang.

"Ramu NiCo is in existence in my province, my duty now is to support Ramu NiCo for the greater benefits of my people as well as your (Ramu NiCo) interests," Governor Pariwa said. "I'd like to support you so that you support me to serve my people." One of the pressing things he wants

addressed is the Raikos Highway in the Rai Coast District where the Project's 135km slurry pipeline passes through from Kurumbukari Mine to the Basamuk Refinery that needs an upgrade so as partners in development, Pariwa called on all parties to chip in and help to rebuild the road that connects one of the impact district of the Ramu Nickel and Cobalt Project.

Governor Pariwa emphasized that he wants construction of roads like that of Rai Coast to be captured through the Chinese Government's Belt and Road Initiative, the infrastructural development strategy to invest in more than 100 countries, because of China's interest in Madang Province. Pariwa added, since Ramu NiCo is in Madang he will support its existence while Ramu NiCo continues to support the people of Madang where it's due in terms of royalties, community engagements and support that it is obliged to provide. Ramu NiCo chairman, Mr Wang Zhou, said he is confident that with the recent visit of Chinese delegates and in their areas of expertise will assist in ensuring the plans of Governor Pariwa are realised. Chairman Wang added, Ramu NiCo also stands ready to support the Governor in ways it can.

Porgera tribal clashes 'getting out of control'

May 4, 2023, The National

THE prolonged tribal clashes in Porgera are getting out of control, says the chairman of Porgera Development Authority. Nixon Mangape said in a press conference yesterday that the mine would only re-open if there was a peace agreement. "I do not want to see people carrying guns and killing people in the presence of police," he said. "This is not good because we are not in the Middle East." Mangape, who is also the Porgera Landowners Association chairman, said that given how tense the situation was, there was a need for more resources. He said that more resources such as vehicles and weapons would be given to the police and army personnel on the ground to boost their work in maintaining law and order in the area. Mangape said that the mine was preparing to re-open and such attitude was unacceptable. "This attitude of tribes going against each other must stop once and for all," he said. "How can we progress with such attitudes amongst ourselves." He added that the mine would only re-open if there was peace among the tribal groups in the area as well as nearby tribes.

PNG LNG sell-down exclusivity period with Kumul extended

Post-Courier, 3 May 2023

Kumul Petroleum Holdings Limited (Kumul) offer period to acquire five per cent interest of the PNG LNG project from Santos has been extended until August 31, 2023. Santos has agreed to deal exclusively with Kumul during this period regarding the sale of equity in PNG LNG for an asset value of US\$1.4 billion, including a proportionate share of PNG LNG project finance debt of approximately US\$0.3 billion (the offer). On December 23, 2022, Kumul had extended the offer period until April 30, 2023. Kumul has agreed it will work closely with Santos during this extension period in order to assist in arranging the finalisation of its acquisition financing with third parties. There is also strong support from both the government and the joint venture partners for the transaction proceeding.

Santos managing director and chief executive officer Kevin Gallagher said PNG LNG continues to represent compelling value for shareholders. "With the significant changes in the global energy landscape over the last 12 months, PNG LNG remains a world-class asset that is low-cost, low emissions intensity and delivers reliable LNG supply to our customers in Asia," he said. "The project is positioned in a supportive regulatory environment, with fiscal stability arrangements in place

ensuring that it contributes strong cash flows to project participants and delivers significant economic and social benefits to the nation.

While the PNG LNG project is a very valuable asset and Santos' balance sheet is strong, Santos remains committed to selling five per cent equity in the project to support the PNG government to achieve the nation's equity objectives." Prime Minister James Marape said: "I am fully supportive of continuing the transaction to purchase five per cent of PNG LNG in pursuing PNG's national interest and its nation building programs. Given the volatility in the financial markets and high interest rate environment, I support Kumul's request for a time extension to complete the transaction. "With credible private sector lenders significantly advanced, I am confident that Kumul will secure an appropriate financing package."

Work at PNG mine set to restart after deal reached

Don Wiseman, RNZ Pacific Senior Journalist, Radio New Zealand, 3 May 2023



PNG prime minister James Marape and Barrick Gold CEO Mark Bristow in Port Moresby, 15 October 2020. Photo: PNG PM Media Unit

The company that is set to recommence operating the Porgera Mine in Papua New Guinea's Enga Province is hoping to start work there before the end of this year. The New Porgera Ltd is the result of two plus years of negotiations between Canadian mining giant Barrick Gold and the PNG Government, which had been seeking a bigger cut. Barrick Gold and its investment partner Zijin Mining will hold 49 percent in the new company while the PNG government, the provincial government and the landowners will retain 51 percent. The man heading Barrick Gold, Mark Bristow, has no concerns that his company is now a minority shareholder. He said the economics of the operation will work to different percentages. "The PNG PM James Marape had advisors and we had advisors and every time we had a negotiation we worked through this economic split and eventually we settled on 47 percent of the economics goes to the investors - Barrick Gold Corporation and Zijin, and 53 percent goes to him, which is a fair deal. It is a fair deal anywhere in the world." Bristow said there will be equal representation on the board.

Tribal fighting affecting workforce

He said they still have aspects of the exploration licence to work through before a new special mining lease is issued, and right now they are finalising the development agreement with the government's Mineral Resources Authority (MRA). "As soon as we get that authority from MRA we will

move to the full re-start - that's mining and processing. In the meantime we have been doing a lot of remedial work, getting ready so that the re-start can happen as quickly as possible." A major concern for Bristow is the latest violence in the Porgera district which poses a threat to the mine and its workers. A number of people died last week in tribal fighting. Bristow said the company is already employing 1000 people, many of them local, and this will soon rise to 3000. But he said, because of the fighting in the streets, many workers cannot get to work. "That's not right. It's not right for a bunch of thugs to prevent people to earn a decent wage and the mining industry pays really well compared to anywhere else, particularly Papua New Guinea. And we prefer local people. We develop them, invest in upskilling our local employees, we want local businessmen," he said.



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

Other opportunities in PNG

Barrick Gold is open to starting other mining operations in PNG. Bristow said they were offered a chance to look at the Panguna Mine in Bougainville, but the company saw too many difficulties, especially re-opening a mine that has been shut down for more than 30 years. He said that is one of the hardest things to do in the mining field, especially while Bougainville is working through its independence aspirations. But he said company geologists are looking at opportunities in other parts of PNG. "For me before we do that it is important that we get Porgera up and running. "And so just as we do at Porgera, preparing for its future, we are doing the same for understanding the opportunities and geology of the main PNG island as well as these other satellites," he said.

Ramu Nickel largest Chinese investment in Pacific

Post-Courier, May 2, 2023

Chinese Ambassador to PNG Zeng Fanhua says the Ramu nickel and cobalt mine in Madang is the single largest Chinese investment in the Pacific. With a total capital investment of more than US\$2 billion, the project is by far the largest overseas nickel and cobalt investment of Chinese enterprises and is the largest foreign direct investment of China in the South Pacific region, as well as the single largest resource investment in PNG in the 2000s. "We the Chinese Embassy and the Chinese government have big interests in Madang, not only because of our nickel and cobalt mine operating in the province, but also a chance for more cooperation with the provincial government and China," Mr Zeng said.

The ambassador, accompanied by other Chinese investors, also had meetings with Madang Governor Ramsey Pariwa on investment possibilities on various concepts in agriculture, tourism, banking and energy. He commended the relationship set by Mr Pariwa and Ramu NiCo Management (MCC) Limited now acting as the bridge to work hand-in-hand with the Chinese investors through the embassy as partners to further serve the people of the Province. Mr Pariwa thanked the People's Republic of China for their interests in the province and said the Chinese government has been always assisting developing countries like Papua New Guinea for a long time.

New Caledonia - nickel

Radio New Zealand, 2 May 2023

New Caledonia's president Louis Mapou is due to begin discussions with the French government and nickel industry leaders about the SLN nickel company. Mapou, who is the first pro-independence politician to lead the collegial government, will be in France for 11 days and meet four ministers, including the prime minister Elisabeth Borne. He is also scheduled to have talks with Christel Bories who is the head of Eramet, which is the French parent company of SLN. Two months ago, the interior minister Gerald Darmanin warned the latest emergency loan to SLN would be the last one to help stave off insolvency at the territory's main private sector employer. Last month, SLN took the surprise decision to suspend operations at its Poum mine site, fuelling fears of massive job losses to come. Mapou is also expected to discuss road safety problems as fatal accidents have reached a ten-year high. He is also due to meet the foreign and justice ministers and may hold talks with President Emmanuel Macron. Mapou's Paris trip comes less than a month after New Caledonia's rival political camps had a separate set of talks with the French government on the territory's future.