

**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: <http://www.radionz.co.nz/international>

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

PNG National: <http://www.thenational.com.pg/>

Secret Data, Tiny Islands and a Quest for Treasure on the Ocean Floor

Mining in parts of the Pacific Ocean was meant to benefit poor countries, but an international agency gave a Canadian company access to prized seabed sites with metals crucial to the green energy revolution.

Eric Lipton, The New York Times, [nytimes.com](https://www.nytimes.com), Published Aug. 29, 2022, Updated Aug. 30, 2022

KINGSTON, Jamaica — As demand grows globally for metals needed to make batteries for electric vehicles, one of the richest untapped sources of the raw materials lies two and a half miles beneath the surface of the Pacific Ocean. This remote section of the seabed, about 1,500 miles southwest of San Diego, could soon become the world's first industrial-scale mining site in international waters. The Metals Company, based in Vancouver, has secured exclusive access to tons of seabed rocks packed with cobalt, copper and nickel — enough, it says, to power [280 million electric vehicles](#), equivalent to the entire fleet of cars in the United States.

The historic climate legislation that Congress passed this month, extending tax credits for buyers of electric cars, will only accelerate the need for these materials as automakers also push forward with

plans to phase out production of gasoline-powered vehicles. The Metals Company hopes to build a plant in Texas to process the seabed rocks and has [been lobbying](#) for federal assistance to do so. “No mining has ever been done on a scale like this on the planet,” said James A.R. McFarlane, former head of environmental monitoring at the International Seabed Authority, an agency affiliated with the United Nations that will regulate mining by the Metals Company and the many other businesses and countries expected to follow.

An examination by The New York Times of how the Metals Company is prepared to exploit this new frontier in the green energy revolution — the firm calculates it will clear \$31 billion in earnings over the 25-year life of the project — tells the story of a single-minded, 15-year-long courtship of the small Jamaica-based seabed agency that holds the keys to the world’s underwater treasures. Interviews and hundreds of pages of [emails, letters and other internal documents](#) show that the firm’s executives received key information from the Seabed Authority beginning in 2007, giving a major edge to their mining ambitions. The agency provided data identifying some of the most valuable seabed tracts, and then set aside the prized sites for the company’s future use, according to the materials. The sharing of that information has angered employees at the agency, who said some of the data was meant for developing countries trying to compete with richer countries, something the agency is mandated under international law to assist. “You are violating the legal concept behind the Seabed Authority,” Sandor Mulsow, who held top positions at the agency before leaving in 2019, said in an interview. “It’s scandalous.”



Gerard Barron, center, chief executive of the Metals Company, holding a seafloor nodule in Times Square last September. Credit...Ashley Gilbertson for The New York Times

The Metals Company is one of [nearly two dozen contractors](#) that have exploration deals with the agency; most of them are held by nations. But the firm has been especially aggressive in pushing the Seabed Authority to allow it to start mining, and is now racing to begin in late 2024. The undertaking has raised concerns among environmentalists about the perpetually underfunded agency’s commitment to protecting life on the ocean floor, and has renewed broader questions about who gets to profit from the riches of the sea. The Seabed Authority was established under the auspices of the United Nations well before climate change set off a surge in demand for the metals. Though it has never gotten off the ground, a unit of the agency was charged with leveling the playing field for developing countries, in part by reserving metal-rich [tracts](#) of the ocean floor and

helping to mine them. With jurisdiction over [half](#) the planet, the agency's 50 employees work out of offices here in Jamaica's capital on a small annual appropriation of [\\$10 million](#).

The agency has at times been at war with itself, interviews and documents show. Employees have complained about the secretary general's spending — on travel and a chauffeured luxury car — and sounded alarms about ethical shortcomings, including a revolving door of consultants and staff lawyers who have worked for companies with matters before the agency. At a meeting of the agency's governing body last year, a Metals Company contractor was among a group of businesspeople who roamed freely among the international delegates as they debated agenda items, including the firm's request for the authority to sign off on a plan to test mining equipment. One of the top rule-making bodies at the Seabed Authority, its legal and technical commission, is secretive, meeting behind closed doors, and some of its own members also work for mining contractors, The Times found.

The agency's relationship with the Metals Company has turned the system on its head in other ways. Developing nations working with the Seabed Authority are supposed to get access to data in certain mining areas before companies do. But the reverse happened: A top executive at the firm got the vital data first, then secured two tiny island nations as sponsors. Even with those partners — the Pacific islands of Nauru and Tonga, which have a combined population of 120,000 and are nowhere near the mining zone — the firm has maintained nearly complete financial control over the project, including rights to all but a fraction of the anticipated profits. "This company set out to game the system and use a poor, developing Pacific nation as the conduit to exploit these resources," said Lord Fusitu'a, a former member of the Tonga parliament. He said he was given less than an hour in 2014 to review [regulations](#) the country adopted to join the effort. The governments of Nauru and Tonga, which declined requests for comment, have lobbied the agency on behalf of the Metals Company. [In a letter](#), Nauru's president, Lionel Aingimea, told the agency that the mining would help secure a carbon-neutral future and financially benefit his country.



Longshoremen helped dock the Maersk Launcher in the port of San Diego. Credit... Tamir Kalifa for The New York Times

"Nauru is no one's puppet, I can assure you," Gerard Barron, the Metals Company's chief executive, said in an interview. A law firm retained by the Seabed Authority, often referred to as the I.S.A., rejected the notion that anyone at the agency had acted inappropriately in sharing data or engaging with contractors, and said that all travel and other expenses by the secretary general were

fully authorized. The legal and technical commission, the firm said, “meets entirely properly” with its members and exercises independence in its decisions. “The I.S.A. has not, at any time, improperly or unlawfully shared confidential data,” the firm, Withers Bergman, said in a statement to The Times. Michael Lodge, the [British lawyer](#) who has served as secretary general for nearly six years, and was its legal counsel when the data was shared beginning in 2007, also defended the agency’s actions. Around that time, he said in an interview at the headquarters in December, it [publicly re-leased summaries](#) of some data in an effort to draw attention to the seabed’s riches and generate interest in mining, and it welcomed inquiries by potential partners.

Mr. Barron said he was unaware that Nautilus Minerals had gotten access to some mining data before forming partnerships with Nauru and Tonga. (He was an investor in Nautilus, the forerunner company that received the information, and later [became chief executive](#) of what is now the Metals Company in 2017, which purchased certain Nautilus assets.) Nonetheless, he acknowledged, the company had rights to what is “generally regarded as some of the best areas out there.” [In a filing last year](#) with the Securities and Exchange Commission, the company confirmed it had relied on data twice provided by the agency. [In March](#), Mr. Barron told Wall Street investors that seabed mining had been made all the more urgent for the United States and its allies because of China’s growing dominance of the cobalt trade and Russia’s role as a major nickel supplier.



Michael Lodge, the International Seabed Authority’s secretary general, at the agency’s office in Kingston, Jamaica. Credit...Ashley Gilbertson for The New York Times

As it seeks approval to begin operations, the firm has teamed up with [Allseas](#), an offshore oil industry contractor, Glencore, a mining giant, and Maersk, one of the world’s largest shipping companies. The metals are found in potato-size rocks known as polymetallic nodules, and the firm would suck them up from the ocean floor with a giant underwater vacuum cleaner and transport them to shore. The biggest hurdle is the enormous task underway at the Seabed Authority to enact the world’s first environmental regulations of deep-sea mining in international waters — and a royalty system to collect revenues from contractors extracting the metals. The effort has been in the works for years but recently accelerated after Nauru, one of the Metals Company’s sponsors, [invoked a provision](#) effectively mandating that it wrap up by next year.

The plans to begin mining by the Metals Company and other contractors have generated fierce opposition from some environmental groups, which along with government leaders like President

Emmanuel Macron of France [have called](#) for a [moratorium](#) on mining until scientists can study the remote seabed and better understand the consequences of an industrial-scale operation. “We have no clue what is going to happen,” said Stefan Bräger, a former Seabed Authority marine biologist who now serves as an adviser to the German government. “It’s like driving on the wrong side of the road at night and turning off your headlights.” Both Mr. Barron and Mr. Lodge said in interviews that the criticism was unfounded. They said the mining would be for the “benefit of mankind,” as required under the [U.N. Convention on the Law of the Sea](#), which established the Seabed Authority, and they predicted that it would cause less ecological damage than open-pit mining.



A nodule on Mr. Lodge’s desk. Rocks like these contain metals that will be critical in the production of electric cars. Credit...Ashley Gilbertson for The New York Times

Mr. Lodge mocked his opponents, referring to environmentalist groups as propagandists. “To say, ‘Don’t harm the ocean’ — it is the easiest message in the world, right? You just have to show a photo of a turtle with a straw in its nose,” he said. “Everybody in Brooklyn can then say, ‘I don’t want to harm the ocean.’ But they sure want their Teslas.”

‘Exclusive Benefit of Mankind’

A miniature replica of the British Royal Navy’s [H.M.S. Challenger](#) sits near Mr. Lodge’s office at the Seabed Authority headquarters. The famed ship set sail 150 years ago on an [expedition](#) that mapped the ocean floor. A dredge on that voyage scraped “[several peculiar black oval bodies](#)” out of the Pacific, the crew reported in 1873. The polymetallic nodules, small enough to fit in the palm of a hand, had formed over millions of years and contained high concentrations of valuable metals. [A century later](#), China, Japan, the Soviet Union, the United States and some European nations began exploring a stretch of the ocean between Hawaii and Mexico, known as the Clarion-Clipperton Zone, that has an especially large volume of the nodules.

With no mining rules in place, the U.N. intervened and adopted the Convention on the Law of the Sea, a treaty that went into effect in 1994 and now has been [ratified by 167 countries](#) and the European Union. The agreement established the Seabed Authority, granting it exclusive jurisdiction over mining in international waters — those not under the territorial rule of individual countries — and charging it with the creation of a regulatory system.

A delegate from Malta had laid out the mission years earlier during a [1967 speech](#) at the U.N. The seabed should be used “[for the exclusive benefit](#) of mankind as a whole,” said the delegate, Arvid Pardo, adding that poorer nations should get “preferential consideration in the event of financial benefits” and that mining should not cause “[serious impairment](#) of the marine environment.” The United States, under President Ronald Reagan, [refused](#) to ratify [the treaty](#), insisting, among other things, that it gave too much authority to developing nations and put American businesses at a disadvantage. But the country agreed to act generally in accordance with its provisions, which extend to other activities like shipping, fishing and navigation.



Andrew K. Sweetman, a marine ecologist who sailed with the Metals Company last year, inspected a device used to measure biological activity on the ocean floor. Credit... Tamir Kalifa for The New York Times



Core samples collected in the Clarion-Clipperton Zone. Data from the seabed agency helped the Metals Company pinpoint mineral-rich areas. Credit... Tamir Kalifa for The New York Times

As the rules stand, any nation can seek permission to conduct surveys to identify mining sites, and China, France, India and South Korea, among other richer nations, have done just that. When they find worthy locations, they must hand over half of them to the Seabed Authority, which sets them aside as “[reserved areas](#)” where less developed countries can initiate their own projects. The authority has allocated roughly [200,000 square miles](#) of seabed — larger than the size of California — to developing nations to do exploratory work in the reserved areas, with nearly half of that space now under the control of the Metals Company.

Starting two decades ago, the Seabed Authority began keeping track of the reserved areas with the highest concentration of nodules, based on countries’ proprietary surveys. Some of the data was used for a modeling project that charted the geology of the ocean floor, and its potential for mining, though the public version of that project aggregated the data and did not disclose anything proprietary. As the agency clarified in a [public statement in 2000](#), detailed sample station data was not to be shared outside the organization. “Data and information ‘of commercial value’ given to the authority by a seabed contractor shall be considered confidential,” it said.

‘Mother Nature’s Gift’

Around the same time, executives at Nautilus Minerals were keenly interested in the reserved areas and turned to the Seabed Authority for help in deciding where to focus their attention, the documents show. Agency officials held a [series](#) of [meetings](#) in New York and Jamaica with David Heydon, a geologist who later became Nautilus’s chief executive, and his son Robert, who also worked there, to discuss seabed mining. Neither Mr. Heydon nor his son, who is now an executive at the Metals Company, responded to requests for comment. A company spokesman also did not respond to questions about them. In one meeting in 2007, emails and other documents show, the agency’s secretary general at the time, Satya N. Nandan, shared agency records about the reserved areas with the company.

“Thank you for hosting Scott Trebilcock and Robert Heydon in Kingston last month, and providing Nautilus Minerals Inc. (‘Nautilus’) with the opportunity to review data pertaining to the I.S.A.’s Reserved Areas,” [David Heydon wrote](#) in a 2007 letter to Mr. Nandan. Mr. Nandan died in 2020. Mr. Heydon went on to ask that [three](#) of the [four most promising locations](#) in the reserved areas be set aside for Nautilus while it sought a nation to sponsor its mining ambitions. “Nautilus looks forward to submitting its full application to the I.S.A. early next year once State Sponsorship has been obtained,” [he wrote](#).

Nauru, one of the world’s smallest nations, quickly emerged as a leading candidate for the Heydons, who are from Australia, which previously turned to the island to [house its refugees](#) and to [mine a mineral](#) used in fertilizer. The country, with just 11,000 people, had only a tiny environmental agency. It also did not demand much in exchange for sponsorship, having no ability of its own to pursue such an undertaking. Mr. Barron, the Metals Company chief executive, would not say how much money Nauru was on tap to receive. A community leader in Tonga, another island partner, said in an interview that the company had agreed to pay it \$2 per ton as a “mining production fee.” That payment would amount to less than half of one percent of the firm’s total estimated value of the mined material.

The Metals Company would not confirm this fee. Separately, the Metals Company would pay an undetermined royalty fee to the Seabed Authority once commercial mining began. The company, a [merger](#) of DeepGreen and the Sustainable Opportunities Acquisition Corporation, was founded in 2021 and markets itself as a publicly traded start-up that views “the climate crisis as the biggest challenge of our time.” Its singular focus is harvesting polymetallic nodules, which it describes as the cleanest source of battery-grade metals on the planet — in shorthand, batteries in a rock. “It’s just Mother Nature’s gift to us,” Mr. Barron, who was paid [\\$14.2 million](#) in salary and stock options

last year, said as he relaxed on a ship that had just returned to San Diego from an exploratory expedition.



Mr. Barron rang the Nasdaq bell for his company's first day of public trading last September. Credit... Ashley Gilbertson for The New York Times



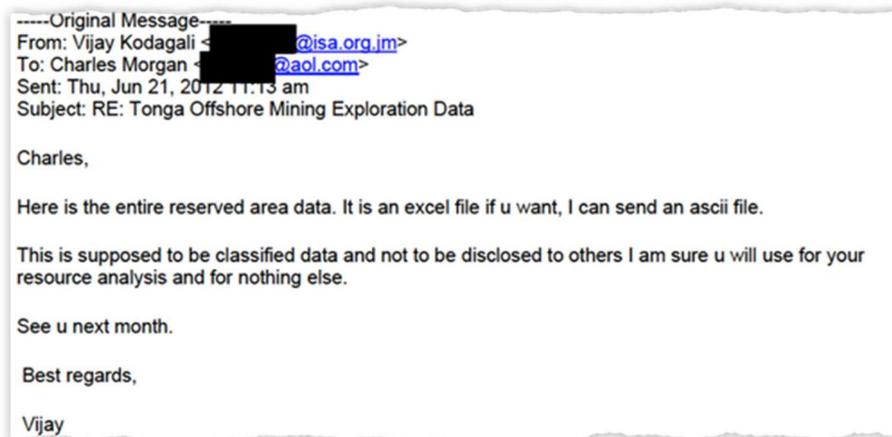
The Maersk Launcher in waters off the Mexican coast last summer, before it was cleared to return to the United States. Credit... Tamir Kalifa for The New York Times

'Sit Down, Shut Up'

The information given to Nautilus, according to an [email written](#) by Robert Heydon, included an "Excel spreadsheet supplied by the authority that shows the grade and abundance recorded at specific sample stations." Follow-up correspondence from Mr. Heydon and others made clear that they knew they should not be given certain data until they had a contract to partner with a developing nation. But Nautilus requested more information to speed things along. "As you would be aware it takes quite a few months to put together a large scale exploration campaign," [Mr. Heydon wrote in](#)

2011 to Mr. Lodge, then the agency’s legal counsel. In his draft reply, [Mr. Lodge noted](#) that the Seabed Authority was subject to “certain restrictions on the disclosure of such data to anyone external to the authority.” But in a [separate email to colleagues](#), he suggested there was a path that would allow them to accommodate Mr. Heydon: the public release of summaries of survey data.

Since it had made the summaries public, he reasoned, the agency could share at least some of the data Mr. Heydon had requested. In another email, an agency employee acknowledged that some of the data provided to Nautilus was supposed to have been “classified,” at least before the company secured a contract to do exploratory work in the reserved areas. “Here is the entire reserved area data,” Vijay Kodagali, a senior scientific officer, now deceased, [wrote in 2012](#) after a Nautilus consultant asked for another copy of the data provided earlier. “This is supposed to be classified data and not to be disclosed to others.”



Three former senior staff members at the agency and a current member of the Seabed Authority Council, the agency’s governing body, said in interviews that they believed the data sharing in some cases violated agency rules. There was no suggestion that the Metals Company acted improperly in requesting the information.

“There were times that you were just told to sit down, shut up and do what you’re told,” said Mr. McFarlane, who resigned from his post as the authority’s top environmental official in August 2011, several months after questions about the data sharing emerged. In its statement, Withers Bergman said that the Seabed Authority staff routinely interacted with contractors pursuing mining sites, but reiterated that the agency had always honored data confidentiality rules. “It is not unusual and is entirely proper and normal practice for the I.S.A. secretariat to engage with contractors to discuss proposals which those contractors have regarding potential applications,” the statement said, “including — as in the case of Nautilus — the contractor providing a confidential indication of the areas under consideration.”

‘Smell the Desperation’

Even with the prized information in hand, the Metals Company [has faced concerns](#) among some agency officials that it is dominating a resource not intended for wealthy countries or international mining companies with nominal partners. The Metals Company has rights to three of the seven exploratory contracts issued by the Seabed Authority in areas reserved for developing nations. The rules require that the sponsoring nations, in this case Nauru and Tonga, exercise “[effective control](#)” over the mining projects so they are not partners in name only. The Metals Company has met this requirement, in part, by setting up nonprofit foundations to oversee operations, but they are controlled by the company, which has just [one permanent employee](#) on each island, according to securities filings. Operations are instead run from Australia, Canada and the United States. The Metals

Company [secured](#) access to a third reserved area [in 2015](#), sponsored by the central Pacific island of Kiribati.



The International Seabed Authority is entrusted with regulating how the nodules are mined, on the basis of environmental impact and countries' economic development. Credit...Ashley Gilbertson for The New York Times



Few in Kingston know the agency is based there, though it has jurisdiction over half the surface of the world. Credit...Ashley Gilbertson for The New York Times

“These venture-capital-backed companies can smell the desperation in these small island economies,” said Maureen Penjueli, coordinator of the Fiji-based Pacific Network on Globalization, a nonprofit that promotes the rights of Pacific island nations. Nii Allotey Odunton, a mining engineer from Ghana who served as the Seabed Authority’s secretary general from 2009 to 2016, said that developing nations were left with no choice but to work closely with private contractors, particularly because the unit within the agency meant to facilitate mining was never created. “The only realistic option for most developing states therefore was to form partnerships with commercial

interests that have access to the financial capital and technology necessary to conduct deep-sea exploration,” Mr. Odunton said [in a speech](#) at the U.N. in 2011. ([He died](#) this year.)

Mr. Barron said the arrangements were good for the islands. “If you look at a nation like Nauru, and if you ask them, ‘Well, what are your other economic development opportunities?’ there’s not a long list,” he said. Squire Jeremiah, a member of Nauru’s parliament in 2015 when legislation was approved related to the Metals Company, said the firm’s presence in the country was nominal. “They have so far funded a few [scholarships](#) and small projects, trying to buy their way in to get us on board,” he said. “But it has not amounted to much.” A spokesman for the company said it donated a total of [\\$140,600](#) last year to support community and social programs in Nauru and Tonga. The spokesman added that the contracts left the islands in “effective control” because their environmental agencies have regulatory oversight. Klaas Willaert, an international maritime lawyer who has [served](#) as a Belgian delegate to the Seabed Authority, denounced the arrangements. “They are relying on a legal loophole here,” Mr. Willaert said. “They have chosen tiny islands to gain access to the reserved areas. It is exactly the opposite of what the law of the sea intended.”

‘Inconsistent Application of Policies’

Chris G. Brown [spent several years](#) helping [draft mining](#) regulations as an employee and consultant at the agency. He now works as a consultant to Nauru, the Metals Company partner. Charles Morgan, an environmental scientist, was retained by the authority to [study data collected](#) by early explorers of the proposed mining areas. Later, he was hired by a firm whose assets are now controlled by the Metals Company to secure a piece of [that data](#) for business purposes. Nathan Eastwood, a mining industry lawyer at London-based Clifford Chance, took a [sabbatical from his law firm](#) last year to help the Seabed Authority draft mining regulations even as [he continued](#) to [solicit future seabed-mining](#) clients for his firm, the I.S.A. documents and other records show. He did not respond to requests for comment.

In interviews, some staff members said that close industry ties permeated the agency and contributed to a poisonous work environment. Internal emails and surveys also document the discontent. “The current culture/organizational dynamics have resulted in frustration, resentment, and made the workplace an unpleasant (and often toxic) place to be,” [said an email in 2018](#) that was based on a survey of 31 staff members. “Breakdowns in communication, lack of transparency, fear of retaliation, not feeling valued, nepotism, clashing personalities, inconsistent application of policies, and often uncertainty around direction and vision (among other things) have contributed to the current state,” it said.

A survey in 2019 reached the “disheartening” conclusion that “[many, if not all, of the issues and frustrations](#)” you faced a year ago are still present today.” Employees said they had no way to seek redress. “There is no internal hotline,” Andrew Webster, then a senior executive helping oversee the agency’s budget, wrote in an email in 2019. “No whistleblower hotline.”

In the statement to The Times, the law firm for the authority said that “continuous efforts are being made to ensure the consistent application of policies across the organization.” Since Mr. Lodge took over the agency in 2017, the statement said, he has revamped personnel rules, “successfully and radically improving the working lives and the morale of the I.S.A.’s valued and dedicated employees.” Mr. Lodge has been a flash point for some. Employees cited the acquisition last year of an Audi SUV to drive him around Kingston even though he [had warned](#) months earlier that budget cuts were likely to “seriously impact the Authority’s ability to carry out its operations.” He also expensed airfare and related bills totaling as much as \$50,000 per trip for him and his family to travel on vacations over the last decade as part of authorized home leaves to locations in Asia, according to an agency document.



Mr. Lodge in his office last year near the United Nations, which established his agency as part of the Convention on the Law of the Sea. Credit...Ashley Gilbertson for The New York Times



Mr. Barron in New York with executives from the Metals Company and representatives from Nauru and Tonga, nations his firm is partnering with. Credit...Ashley Gilbertson for The New York Times

In the statement, the law firm said that Mr. Lodge’s agency-funded travel and the purchase of the new agency car had all been properly approved and were “fully in line with U.N. standards.” “The independent auditors examine all expenditures and are required to report any cases of fraud, wasteful or improper expenditure, or expenditure in breach of the rules,” the statement said, “and no such expenditure has ever been reported.” Some current and former employees said the workplace dysfunction signaled an inability to fulfill the agency’s core mission of benefiting “the common heritage of mankind.” “The organization simply does not have the capacity necessary to perform such functions,” Van Khanh Nguyen, a finance officer between 2018 and 2020, said in an interview, during which she detailed a series of financial misdeeds she said she observed while at the agency. She

was among [several former](#) employees who recently filed personnel [complaints](#) with the U.N. “What they care about is their own benefit, and corruption is everywhere.”

‘Dollar Signs in Their Eyes’

Scientists say that [more is known about the surface](#) of the moon than about the floor of the ocean, with much of it still unmapped, and estimate that perhaps [90 percent](#) of the species at the bottom of the Pacific remain [unclassified](#). Worries about that knowledge gap emerged publicly last year when the Metals Company submitted plans to test a new mining machine. The company had teamed up with Allseas, the offshore oil contractor, to equip a [former drill ship](#) with a device resembling a bulldozer that vacuums up nodules. The machine [has been tested](#) in the North Sea, but the Metals Company wants a separate trial in the Clarion-Clipperton Zone so it can demonstrate what, it predicts, will be limited consequences for aquatic life as it collects about 3,600 tons of nodules. Ultimately, once commercial mining starts, it intends to extract [1.3 million tons](#) of these rocks a year at its first site.

The Metals Company has pushed ahead with its plans even as the company has shown signs of financial challenges, with its [stock price](#) falling from a high of \$15.39 last year to a low of 81 cents on Friday. The company’s request is still under review, having elicited sharp criticism around the world, including from the governments of [Britain](#) and [Germany](#), and from some scientists who once held top posts at the Seabed Authority. These questions echo larger concerns about the harm some scientists fear large-scale seabed mining may cause. The most prominent opponent may be Craig Smith, an oceanographer and former mining industry contractor now at the University of Hawaii at Manoa. He spent nearly five years at sea and in Antarctica studying marine life, and his research has singled out the Clarion-Clipperton Zone as something worth preserving.



The Maersk Launcher on its exploratory mission last year. The Metals Company plans to begin mining as early as 2024. Credit...Tamir Kalifa for The New York Times

“It’s just not possible to do this without essentially destroying one of the largest wilderness areas left,” said Dr. Smith, citing the potential impact of 17 different mining projects in the area, including the three contracts held by the Metals Company. Dr. Smith was [hired to evaluate the environmental effects](#) of seabed mining by the South Korean government and Lockheed Martin, the American contractor, which are considering projects of their own. “These are some of the most pristine, biodiverse habitats on a planet where we already have a biodiversity crisis because of destruction on

land,” he said. Mr. McFarlane, the former head of environmental monitoring at the Seabed Authority, suggested that the Metals Company was intentionally playing down the threat. “I’ve listened to his greenwashing,” Mr. McFarlane said of Mr. Barron, the chief executive. “This guy is slick, but he is like a lot of people who see dollar signs in their eyes.”

Mr. Barron said that such criticism was off base and that his project was extremely important to the future health of the planet: “This could be one of those projects that could really make a difference — that could really move the needle.” His company’s most immediate request is for approval to test its new nodule collector. After [pushback from governments and environmental groups](#) about its proposal, the company supplemented its filing with the Seabed Authority with [additional environmental data](#). “Picking up the nodules from the seabed has to be accomplished with the maximum efficiency and minimum disturbance,” Jon Machin, a former offshore-drilling executive who now serves as the company’s head of engineering, said at a briefing in June. The effort, according to the company, would include a continuous environmental monitoring system that would allow the crew to redirect the mining if sediment plumes or other harm occurs.

In an interview, Mr. Lodge lashed out at the scientists voicing concerns, suggesting there was a “very incestuous” financial relationship between them and the environmental activist groups. “If you spend your whole life studying the worms that live on nodules, then you get very attached to that,” Mr. Lodge said. “And I’m not sure that they really see the woods for the trees. The broader issue is: Where are you going to get these minerals from?” The Seabed Authority, nonetheless, has taken significant [steps](#) to limit harm, including setting aside about [40 percent](#) of the Clarion-Clipperton Zone, 760,000 [square miles](#), as areas where mining will not be allowed. At the meeting of the authority’s governing council in December, proponents and opponents of the Metals Company’s plans reached a compromise to speed up the review of the comprehensive seabed mining rules, sticking with the firm’s proposed timeline to start commercial operations as early as 2024. “Consensus means that everybody is slightly unhappy,” Mr. Lodge told the council.

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Source: https://www.nytimes.com/2022/08/29/world/deep-sea-mining.html?utm_source=headtopics&utm_medium=news&utm_campaign=2022-08-29

‘Use LNG money to build SWF’

August 30, 2022, The National Business

THE PNG Chamber of Mining and Petroleum is suggesting to the Government to use the windfall from the PNG LNG Project to build up the Sovereign Wealth Fund (SWF). Chamber president Anthony Smaré said if K4 billion was put into the fund each year, the SWF would be larger than all superfunds combined. He was addressing new MPs during an induction programme in Parliament on Thursday. “The Covid-19 showed us the vulnerability of not having sufficient national reserves for a crisis. As a result PNG saw its debt in the past two years mushroom to around 50 per cent of gross domestic product (GDP). “However, the high oil prices and the pay-down of capital costs of the PNG LNG project means that the State is starting to harvest greater cash flow benefits from the project,” he said.

He said K2.8 billion in the PNG LNG Corporate Income and Additional Profit Taxes had been paid this year so far. “It may exceed K4 billion by the end of the year,” he said. “On the basis of moderate oil prices, during this term of Parliament, the taxes and net cash flows to Kumul Petroleum from the PNG LNG Project could exceed K8 billion a year. “If the State decides to put K4 billion into the

SWF each year, it would mean that within four years, the SWF would be larger than all of PNG's superfunds combined. "A SWF that invests all over the world in asset classes that is not available in PNG, would enable the State to build up its savings and achieve returns that it could not achieve in PNG. "PNG's SWF would invest in areas of innovation, technology and growth which are driving the next 20 years of human progress, sectors which are not available in PNG."

Collaboration important in addressing challenges

August 30, 2022, The National Business

THE extractive resource industry always comes with its negative impacts, but it is important to work together to address the challenges, says Barrick (Niugini) Ltd country executive director Dr Ila Temu. "Resource developments cannot happen without negative impacts. The challenge is our ability to manage those impacts and compensate accordingly where those impacts are negative, and where their livelihood have been impacted. "Those things are in place under our law. "In Porgera, we have a ministerial determination to put compensation in place so all the landowners down the river system to a certain point and that is under a ministerial determination, where we pay compensation.

"So the negative impacts go with projects, there is no way we can avoid negative impacts. "But it is our ability to put in place arrangements that can provide or deal with the negative impacts, in the long run is compensation, and other benefits that impacts people's livelihood in the project areas. "The challenge is really our ability to deal with the issues that confront us." New Ireland Governor Sir Julius Chan said everyone including the developers of projects must work together so all parties benefitted fairly from projects. He said companies and mining activities were established "in my time". "I had a lot to do with Bougainville and Porgera and also in Star Mountain (Ok Tedi), Lihir and Simberi.

Ramu nickel mine contributing consistently to PNG: Official

August 29, 2022, The National Business

THE Ramu NiCo Management (MCC) Ltd spends up to K1.2 million annually on the training locals in Madang, an official says. Community affairs deputy general manager Albert Tobe revealed this while explaining how it impacted locals during an induction programme for MPs in Port Moresby on Thursday. MCC is the operator of the US\$1.2 billion (about K4.2 billion) nickel and cobalt mine in Madang. While nickel and cobalt were discovered in 1962, it took almost 50 years for the mine to be established and production to start. Tobe said it took a long time for a developer to show interest as the nickel and cobalt concentrate were of low grade. "Economically, many viewed it (project) as not viable to operate," he said.

In 2004, Prime Minister Sir Michael Somare approached the Chinese government and China Metallurgical Group Corporation (MCC Group) in Beijing to develop the project. Tobe said because it was considered risky to develop, the Government at that time offered the developer some incentives. Tobe also noted that the project memorandum of agreement lapsed in 2018 and a review was necessary. The project comprises a laterite open-pit mining, 135km slurry pipeline, high pressure acid leaching, deep sea tailings placement (DSTP) as well as a number of supporting facilities. It produces nickel/cobalt intermediate product, in which the aggregate nickel metal accounts for 31,000 tons per year and cobalt for 3,000 tons per year.

The project is an unincorporated joint venture between MCC Ramu (85 per cent); Mineral Resources Madang Ltd (2.5 per cent) and Mineral Resources Ramu Ltd (3.94 per cent) two

subsidiaries of Mineral Resource Development Corporation on behalf of PNG government and landowner interests, and Ramu Nickel Ltd owns 8.56 per cent, a subsidiary of Highland Pacific Ltd. Ramu NiCo Management (MCC) Limited, as the manager/operator of the project appointed by all JV parties, was fully responsible for construction, development and operation of the project.

Govt must consider all sources of equity funding: Official

August 29, 2022, The National Business

FUNDING for equity in resource projects is an issue that the Government should look into, says an official. Barrick (Niugini) Limited country executive director Ila Temu said this during the 11th National Parliament Members induction last week. “Funding of equity is a big issue and we need to have a Government policy and decision making to include funding arrangements that can support the acquisition of equity either for the State, Government or for landowners,” he said. Temu said that equity for landowners of the Porgera and Lihir projects had been sourced through concessional funding from Exim Bank of China through a government-to-government relationship.

“The question now is, what happened to those arrangements? How do we fund the new equity that we have to acquire in these new projects? We don’t really have any arrangements in place. He said Kumul Petroleum Holdings held the equity in LNG and for the Papua LNG project. “Kumul is there arranging the funding for that equity when it happens,” he said. “But that funding is through a commercial entity that is supposed to run its business, and I am of the view that the concessional funding either from bi-laterals or multi-laterals is still a good way to fund equity for resource projects and I think we should explore that a bit more. “So this is something for the new MPs and the bureaucrats to think about.”

PNG gas competing on global supply market, says exec

August 29, 2022, The National Business

THERE is a significant source of LNG (liquefied natural gas) supply outside of Papua New Guinea (PNG), says ExxonMobil PNG Ltd managing director Peter Laden. Laden said currently, PNG represents two per cent of the LNG market producing eight to nine million tonnes per annum. “In the future, even after Papua LNG, we will still represent about two per cent of the global LNG market as a number of new projects come online in the coming years,” he said. “We are challenged and fighting for a limited amount of global capital to advance the next trench of projects here in PNG. “That’s why we are all here with the common objective, we want PNG on the map and we want to advance the resources here in a responsible way.” Laden acknowledged the country’s competitive advantages.

“Specifically, proximity to Asia where the majority of our customers are is a true advantage. “This is a true advantage with shorter shipping routes to South East Asia at this point in time and it is also one of the globally greenhouse competitive LNG projects already. “So when future investors and lenders look for future opportunities, they will start from there.” Commenting on exploration, Laden said this year, ExxonMobil was conducting its own seismic campaign and building on over US\$2 billion (K6.9 billion) in exploration investments since 2010. “We are very active in the exploration space but we are going to need to work together to advance the exploration potential in this country.”

'State getting K86bil from gas'

By DALE LUMA, August 29, 2022, The National Business

PAPUA New Guinea is set to benefit from the Papua LNG to the tune of K86 billion from the life of the project, an official says. Total Energies PNG Ltd managing director Jean-Marc Noiray made the remarks last week at the induction programme for Members of Parliament in Port Moresby. He said this when acknowledging the country's laws and regulations that governed resource projects as some of the best in the world. Noiray said local laws recognised landowners and put the State and people in a strong position. "From a regulatory point of view, we have done all that was needed, we have the gas agreement which secures the fiscal and regulatory terms," he told MPs. "They are stabilised in a fiscal stability agreement with all the amendments that were required. So we are ready to go."

Noiray said the State would receive between 50 to 55 per cent of the value of the project over its life. "The higher the price of the gas, the more the shareholders are going to get," he added. "The direct value going to the State we reckon will be in the order and value of US\$25 billion (K86 billion) over the life of the project. "Just half of that is direct from what the developer will pay in terms of income tax than we have other direct taxes that will be paid, the workforce for example which we reckon is in US\$3 billion (K10 billion) and indirect benefit in the order of US\$8 billion (K27 billion) going to the country. "All those numbers, we will round them up and will be in the file that we will give to the authorities to try to get our different licenses. "We are keen to start contributing big to the country and to help the country and its citizens and local communities."

More Porgera killings spur calls for SOE

By ELIAS LARI, August 25, 2022, The National

THE Government has been urged to declare a state of emergency (SOE) in Enga after two more killings were reported in Porgera this week. Porgera Chamber of Commerce and Industry president Nickson Pakea said members of the Iayale clan and Nomale clan had been fighting for days. Iayale clan member's killed a man working on his garden, thinking that he was involved in the fight too. But Pakea said the man was not involved at all. Members of the Nomale clan in retaliation then killed a man at Tipini. A committee was formed during a meeting between police, business representatives and community leaders. They agreed to ask the Government to declare an SOE in Enga, which is looking forward to the re-opening of the multi-billion Kina Porgera mine soon.

Pakeas said the people of Porgera were in constant fear of violence and killings which were affecting their lives. Pakea said of the 120 soldiers sent to Porgera to provide security during the 2022 General Election, only 35 remained who needed funding to carry out their duties. The local business community have been assisting the soldiers and policemen there. "Porgera is going to the dogs. Killings are taking place everywhere and people are not feeling safe anymore," Pakea said. "The two recent killings have again raised fear among the people and the business community. "An SOE will give us confidence. "But, in the meantime, police and soldiers are handicapped. "The business community is funding their operations." Attempts to get a comment from provincial police commander acting Supt George Kakas on Monday were unsuccessful.

Signing marks new chapter for Porgera gold mine

August 25, 2022, The National Business

THE Porgera gold mine in Enga can now be reopened following the signing of the shareholders' agreement and security deed by the Mineral Resources Enga (MRE) in Port Moresby last Thursday.

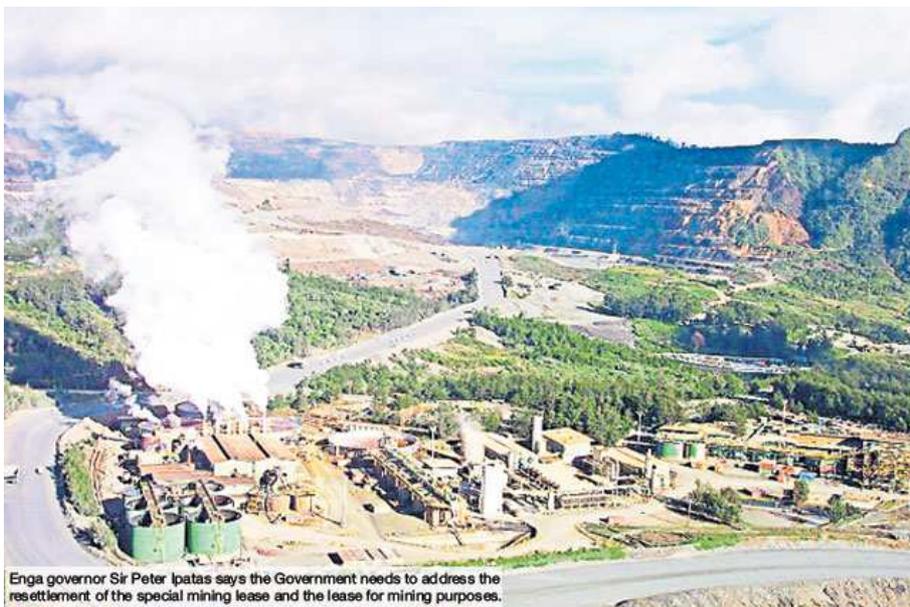
Developer Barrick Niugini Ltd(BNL) says the agreement is the only thing delaying the restart of mine operations. BNL and Kumul Minerals Holdings Ltd had signed the agreement in April. BNL chief executive officer Mark Bristow said they would start the incorporation of the new project company – New Porgera Ltd – once all agreements had been signed. Below are three views on the impact of the Porgera mine on the economy.



Mineral Resources Enga directors Nixon Mangape (left) and Enga Governor Sir Peter Ipatas signing the Porgera Shareholders in Port Moresby last Thursday. – Nationalpic by KENNEDY BANI.

Bank South Pacific Financial Group Limited chief executive officer Robin Fleming:

IT is important to accelerate the reopening of the multi-billion kina Porgera gold mine project in Enga from a foreign exchange (FX) perspective. Both Porgera and the Ok Tedi mine in Western are key contributors of FX for the country. Notwithstanding the agreements that were signed last week, it will really be important to start to accelerate the reopening of the Porgera mine. From a foreign exchange perspective, it is a key contributor along with Ok Tedi. There are a couple of factors that inform a long term view. The two main ones which are the key gas projects – P’Nyang and the Papua LNG. Those projects are moving very closely towards a final investment decision maybe in the third or fourth quarter of next year. That alone will stimulate the economy significantly. If we get through to the end of 2023 to 2024, the foreign exchange dynamics should start to change, GDP activities should start to change.



Our branch in Porgera continues to remain close due to security concerns and we are hopeful that the recent announcements of the various agreements with Barrick and SML’s will mean that there will be an increased presence in that area as they start to towards preparing themselves towards the recommissioning of the mine. This will enable us to move our staff back into Porgera as well. So

between Porgera and the two gas projects, the medium to long-term prospects of the economy remain sound. There are some inflationary pressures and one of the challenges that the Government and the bank of PNG will find is that the normal response for inflation is to increase interest rates. But because the economy is relatively flat, they want to be cautious about not stifling the investment demand which required to support those key projects whilst at the same time ensuring that the inflation while is important, can be mitigated as much as possible which requires some adjustments to foreign exchange policies as well as the monetary policy.

Porgera Chamber of Commerce and Industry president Nickson Pakea:

The long waiting shareholders' agreement was signed which gives the people of Porgera the confidence that the mine is about to be open. The mine development forum also needs to be signed and that will bring light into Porgera and the country as a whole. It has been more than two years since the mine was closed and there have been law and order issues which also affected the livelihood of the people. Ongoing tribal fighting and killing has also painted a very bad name for Porgera. We welcome the recent signing of the shareholders' agreement which is developing confident and we hope to see the opening taking place soon.

After the opening, this will bring good news to the struggling economy and the also gives benefits to the people where they can make a new beginning and focus on a better future. We are now waiting on the signing of the mine development forum and this will give us the confidence and restoration. Businesses have been affected and cash flow has become a major concern. We are prepared to see the opening of the mine and wanted to participate meaningfully.

Enga governor and MRE director Sir Peter Ipatas:

The resettlement of the special mining lease (SML) and the lease for mining purposes (LMP) landowners needed to be addressed by the Government. It has taken us a long time to actually come to signing the document because if you see the PPCA (project commencement agreement), there was an allocation of the free carry but not specified, we insisted that it be written down on paper so that everyone in the Porgera valley and the country know what the split is in terms of equity that has been agreed to.

The next key issue is resettlement, we can't have our people continue to live in the SML area, because they are living in the SML area, the illegal miners are also being accommodated. Now that there is provision in the agreement for resettlement, we have signed off, but we want to also take it up to the State to ensure that resettlement does take place quickly, for 30 years there has been no relocation, very little resettlement, this time we want to see real resettlement," he said. We have signed because it is in the national interest but our issues need to be addressed including the number one issue of resettlement.

Royalties helping local communities

August 25, 2022, The National Business

A LANDOWNER representative from the Ramu nickel mine says K108 million in royalties received from the developer since 2018 has helped local communities. Memeume 1 principal landowner and Maigari inland pipeline landowner association chairman Jacob Winis said the royalty payments had contributed to improving their lives by enabling access to basic services. "The money was paid to 190 bank accounts of clans within the project's four impact areas," he said. "It has helped us in setting up small businesses, projects, supporting us with school fees, and having access to health services." Winis said the first payment was made in 2018, for the period 2013 to 2017. "It was paid in two separate accumulated payments," Winis said.

“First payment of K25.5 million in June 2018 while the second payment of K8 million, for the period July to December 2017, was paid in the same year,” he said. “K16.3 million for 2018 was paid in 2019 and a K26.2 million payment for the financial year 2019 was made in 2020. “2020 payment of K17.3 million was made last year, with the most recent payment of K14.8 million for the year 2021 was paid last month to the landowners. “It was paid as last year’s outstanding royalty to four impact areas of the project,” Winis said. Ramu NiCo management Ltd paid K8.6 million to the Kumbukari landowner group, K2 million each to inland pipeline landowners, and coastal pipeline landowners, and K3 million to Basamuk landowners.

Twinza: Projects await signing

August 25, 2022, The National Business

THE Pasca A offshore gas project in Gulf will go ahead once the gas agreement is signed and the petroleum development licence (PDL) is approved, says developer Twinza. Twinza chief executive officer Robert Gard said on the sidelines of the 11th National Parliament induction programme in Port Moresby this week. “We are awaiting finalisation and signing of the gas agreement and approval of the petroleum development licence. “We are ready to proceed with front-end engineering and design (Feed) and project financing arrangements,” he said. The Pasca A offshore gas project is at a water depth of 93m about 95km off the Gulf coastline. It was discovered in 1968 and acquired by Twinza in 2011. Twinza applied for a PDL in 2015 after a thorough subsurface evaluation programme. Pasca A has 0.33 trillion cubic feet of recoverable dry gas and more than 70 mmbbl (million barrels) of liquefied petroleum gas and condensate. The benefits of the project include:

- K500 million per year to the State (tax, levies, royalties);
- K8.6 billion revenue to PNG over the life of the project;
- K18 billion contribution to gross domestic product over the life of the project;
- K400 million per year spent in PNG annual operating costs; and,
- 300 construction and 500 permanent jobs in PNG both direct and indirect.

Gard said more than 70 local companies have already been identified as service providers to the ongoing operation. “Direct jobs include offshore, supply base and office workers such as operating, maintenance, onshore support, marine support, catering staff, management and office support,” he said. “Indirect jobs include security, airline operations, hotel and transport, meals and catering supplies, spares and materials supply, helicopter logistics, training and professional services.” Twinza is an Australian upstream energy company developing the Pasca A liquids-rich gas field in the Gulf of Papua. The company has operated in PNG since 2011 and has invested over K350 million to fully evaluate the field. Its innovative and economically efficient development plan and design is now ready to be developed. Twinza has an experienced team of professionals and offices in Port Moresby, Perth and Singapore and is backed by financially strong and supportive investors.

ABG issues exploration licence

BY PETERSON TSERAHA, Post-Courier, 24 August 2022

THE Autonomous Bougainville Government’s Department of Mining has issued an exploration licence to Lakesville mines to conduct exploration for the Manetai limestone. ABG Mining Minister Rodney Osioco who officiated at the event on behalf of President Ishmael Toroama thanked everyone involved particularly, the land owners tripartite team the Panguna district, the Eivo/Torau constituency and the Mining department and also all other stake holders who made this possible. Mr Osioco reminded the people of Eivo/Torau that the investor Lakesville Mine was not brought into

the region by him or by the government but by the people themselves. He said the department is just the custodian.

“Lakesville Mine came through the front door, the inward law and the investor is certified and then it was forwarded to my office and that’s why we are giving the licence now through compliance which went in through a very stringent process. So whoever has doubts and is saying that Lakesville never complied, you should think again. “If Lakesville never followed the process we won’t be giving the licence now, it’s because of the compliance and the front door that we are here now,” he said. “Even though it’s sad and also disappointing that land owners are not here today we still must support this project because it will help a lot and taxes will be paid to the government’s revenue. We have come a long way since day one and now when it’s time to present the licence the land owners tripartite party are not here is so disappointing.”

Kingston Resources Ltd to assess potential financing options

August 24, 2022, The National Business

KINGSTON Resources Ltd is assessing a range of potential financing options for its project in Misima, Milne Bay, according to the company. The company denied reports that it is selling its gold project. “As previously announced, Kingston has commenced a strategic review of the Misima gold project (to assess) a range of potential financing and ownership options,” a company statement said. “There are a range of potential outcomes from this process, one of which could be a potential sale as noted in the media report. “At this stage, Kingston has no further comments to make in relation to the status of the strategic review.”

The Misima gold project is an exploration and development asset with significant scale underpinned by a 3.6Moz gold resource and a 1.35Moz gold reserve. Gold was discovered on the island in 1888 with small-scale underground mining continuing until World War 2. Placer Dome Inc started exploration in 1977, with production beginning in 1989. Misima operated as an open pit gold mine from 1989 to 2004, producing 3.8Moz at an average cost of US\$218/oz. Kingston’s drilling has been focused on delivering to its strategy of identifying near-surface ounces to deliver ore feed for the early years of operation into the Misima mine plan.

Govt urged to include sand mining in extractive and mining industry

August 24, 2022, The National Business

The Government needs to include sand mining in the extractive and mining industry laws to safeguard people’s interest, says a conservationist. Wenceslaus Magun said while there were many loopholes in the existing laws, the Government needed to include sand mining in the reviewed Mining Act 1992. “Mineral Resources Authority must make a provision within this Act to have a policy or regulatory and legislative framework to guide the operations of sand mining,” he said. “Because of the lack regulatory framework, there are no monitoring and assessment of environmental and social impacts of sand mining in the country. “The policies, laws and management guidelines would tell us what kind of benefits the different stakeholders would get. “You cannot just say this is under the Mining Act because that’s too broad, sand is an exclusive mineral, separate from gold, copper and silver and must be identified as that. “It is a surface mineral unlike the others that have to be dug up and the Mining Act says that anything above six feet is for the people, loopholes like this must be addressed to ensure proper benefit to all.”

Environmental group conducts awareness on sand mining

By GLORIA BAUAI, August 24, 2022, The National Business

A MADANG-BASED environmental group recently hosted training on the impacts of sand mining and steps in mitigating its negative impacts on the environment. Mas Kagin Tapani (Makata) was instrumental in the withdrawal of an exploration licence for black sand mining in Madang's Sumgilbar local level government (LLG) area of Sumkar last year. Spokesman Wenceslaun Magun said although Singaporean company Niugini Sands Ltd had pulled out, the threat to the livelihood of the community and the natural environment was still relevant given Papua New Guinea's lack of policy and legislation on sand mining. He said educational awareness needed to continue. Last year, Makata, with the help of former chief justice and Madang governor Sir Arnold Amet, educated the community on their legal rights with regards to sand mining.

"Now we're educating them on the environmental impact of sand mining so the community is well versed on law as well as the environmental aspect so they can make an informed decision about any sand mining development," he said. The training was facilitated by environmentalist Winifred Duk from the University of Goroka and saw participants from Taligid all the way to Murukanam, as well as some from Karkar Island, Yabob and Manus attend. Magun added that Makata had done awareness with local communities helping them establish locally managed marine areas with community based management plans to protect their resources using conservation deeds. He said it was important that the government also played a part in this initiative. "The Mineral Resources Authority should go into communities, inform, educate and get local input before moving forward with reviewing the Minerals Act of 1992 which we know has a lot of gaps, including on sand mining."

Harmony hands over vehicle, vows to continue its support

August 23, 2022, The National Business



Vehicles at the handover ceremony, as people gather around to witness the handover. – Picture supplied.

THE Harmony's Hidden Valley mine in Morobe will continue to support the Government's functions in the province, an official says. Handing over a vehicle to the Bulolo district court, community engagement superintendent Benjamin Kamaya said the mine continued to focus on a sustainable community, infrastructure development, and addressing law and order plus the justice sector. He said the mining company acknowledged the Government's confidence in it. "Supplying this vehicle (is) one of many ways that Harmony is working with our stakeholders to improve and maintain law and order in the district," Kamaya said.

Bulolo's Magistrate Tera Dawai thanked the mine company's "goodwill to support institutions (which) protect citizens". Because of the tasks they confront daily, he said the donation of the vehicle was timely. "We can now go into communities in Wau and Bulolo for court circuits and carry out important work which we haven't been able to do in a while," Dawai said. The vehicle was

purchased from funds set up under the Hidden Valley mine memorandum of agreement with the Mineral Resource Authority.

MP calls on locals to choose peace before mine reopens

August 22, 2022, The National

PORGERA-Paiela MP Maso Karipe has urged locals to lay down their guns and embrace peace because the new Porgera mine is to reopen soon. Karipe made the statement in Port Moresby following the signing of the Porgera mine shareholders agreement by the Mineral Resources Enga (MRE). He also said the Government should ensure law and order issues were restored before the mine reopened. “We all must go back to Porgera and fix the law and order issues,” he said. “Innocent people are dying. “It is a national issue.”

MRE director Nixon Mangape who also signed the shareholders agreement also called on locals to lay down their arms. “I appeal to people of Porgera to stop fighting,” he said. The MRE last week finally signed the shareholders agreement. Mine operator Barrick Niugini Ltd had (BNL) and Kumul Minerals Holdings Ltd signed it in April. BNL owns 49 per cent share of the Porgera while Kumul Minerals Holdings Ltd owns 36 per cent and MRE 15 per cent. The multi-billion Kina mine was shut down in 2020 following the Government’s refusal to extend the mining lease to BNL.

Long journey to sign off mine’s shareholder agreement

BY MAXINE KAMUS, Post-Courier, 19 August 2022

THE journey to signing off on the Porgera Gold Mine shareholder agreement has been a very long and difficult process to manage. Mineral Resource Development Company (MRDC) Limited managing director Augustine Mano said this during the signing of the agreement yesterday in Port Moresby. Mr Mano said MRDC as the managers of Mineral Resources Enga (MRE) found it very hard to manage the process and it took them awhile to resolve the issues at hand but they have finally reached an agreement and MRE has now signed off on the Porgera Gold Mine shareholders agreement. “MRE is a unique shareholder of both the Enga Provincial Government and landowner group so you would understand the complex issues that surround the board when they are addressing the issues about Porgera gold mine,” he said.

“After the signing of the Porgera Project Commencement Agreement (PPCA) everyone has been wondering what the main reason Porgera is not operating and at least this is the last issue that was left and which was resolved with other key issues and the rest of the issues will be addressed at the up-coming development forum.” Mr Mano said he would like to thank everyone who has been involved in the process as it was not an easy journey. “I would also like to thank MRE. For the record, we have many intellects in that board and they have been raising all the issues in Porgera from day one up until now and the State is well informed because of MRE’s input into the whole process,” he said.

Shareholders’ agreement signed, Porgera set to reopen

August 19, 2022, The National Business

THE Porgera gold mine in Enga will now be reopened following the signing of the shareholders’ agreement and security deed by Mineral Resources Enga (MRE) in Port Moresby yesterday. According to developer Barrick Niugini Ltd (BNL), the agreement had been the only delay holding up the restart of mine operations since April. The miner and Kumul Minerals Holdings Ltd (KMHL)

signed the shareholders' agreement in April but MRE finally signed yesterday. Chief executive officer Mark Bristow had said once the shareholders' agreement and other associated agreements were signed, BNL would commence with incorporation of the new project company – New Porgera Ltd. Bristow had added that they would also submit an application to the Mineral Resources Authority (MRA) for a new Special Mining Lease (SML).

Prime Minister James Marape said the long overdue opening of the mine was finally in sight since its closure in 2019. Enga governor and MRE director Sir Peter Ipatas flanked by fellow director Nixon Mangape and Porgera-Paiela MP Maso Karipe with others, said the resettlement of the special mining lease (SML) and the lease for mining purposes (LMP) landowners needed to be addressed by the Government. “It has taken us a long time to actually come to signing the document because if you see the PPCA (project commencement agreement), there was an allocation of the free carry but not specified. We insisted that it be written down on paper so that everyone in the Porgera valley and the country know what the split is in terms of equity that has been agreed to.



Mineral Resources Enga (MRE) directors Nixon Mangape (seated left) and Enga governor Sir Peter Ipatas signing the Porgera Shareholders Agreement and witnessed by Porgera-Paiela MP Maso Karipe (standing left) and MRE director Mark Sakai in Port Moresby yesterday.
– Nationalpic by KENNEDY BAN

“The next key issue is resettlement, we can’t have our people continue to live in the SML area, because they are living in the SML area, the illegal miners are also being accommodated. “Now that there is provision in the agreement for resettlement, we have signed off, but we want to also take it up to the State to ensure that resettlement does take place quickly, for 30 years there has been no relocation, very little resettlement, this time we want to see real resettlement,” he said. He said when they went to the development forum all those issues would be brought up but an initial letter from MRE would be going to the prime minister to address those issues.

MINERAL Resources Enga wants 40pc stake

By PETER ESILA, August 19, 2022 The National Business

MINERAL Resources Enga (MRE) wants a 40 per cent share in the Porgera gold mine, an official says. MRE director Nixon Mangape said in Port Moresby yesterday in relation to the development forum for the new Porgera mine after they signed the shareholders agreement. “During the development forum, we will ask the prime minister to increase (our stake) from 15 per cent to 40 per cent.” Barrick Niugini Ltd owns 49 per cent share of the Porgera while Kumul Minerals Holdings Ltd (36 per cent) and MRE (15 per cent).

He said MRE would ask Prime Minister James Marape to increase their share in the project by 25 per cent to 40 per cent which would lessen the State's share to 11 per cent. "On behalf of 10,000-plus SML (special mining lease) landowners, and the people of Porgera and Enga, I thank Prime Minister James Marape on taking back Porgera. "We have been spectators on our own land for 30 years," he said. Mangape said of the 15 per cent, five per cent was for the Enga provincial government, 7.5 per cent for SML landowners and 2.5 per cent for LMP (lease for mining purpose) landowners. He also appealed to landowners to stop fighting in the valley and prepare for the reopening of the new Porgera mine.

Santos to sell 5pc stake

By SHIRLEY MAULUDU, August 18, 2022, The National Business



SANTOS is looking at selling 5 per cent of its stake in the PNG LNG project, according to the company. In its 2022 first half-year report, the company said that it would retain 37.5 per cent of its share in the US\$19billion (about K65.36billion) project. Managing director and chief executive officer Kevin Gallagher said they were in talks with "short-listed parties for the sale of 5 per cent of PNG LNG, with expected proceeds in line with market consensus valuations". "The asset is performing well in the current environment and not surprisingly, there have been strong interest from reputable parties for equity in this project. "The sale will leave us with a 37.5 per cent stake," he said.

Other partners in the project are: ExxonMobil PNG Ltd (33.2 per cent), Kumul Petroleum Holdings Ltd (16.8 per cent), Nippon Oil (4.7 per cent), Mineral Resources Development Company (2.8 per cent). According to ExxonMobil PNG Ltd, the project is an integrated development that included gas production and processing facilities that extended from Hela, Southern Highlands, Western and Gulf to Port Moresby in Central. ExxonMobil PNG Limited operates the project on behalf of five partners. "Our facilities are connected by over 700 km of onshore and offshore pipeline and include a gas conditioning plant in Hides and a liquefaction and storage facility near Port Moresby," a company statement said.

"The LNG production began in April 2014, months ahead of schedule. "Since then, we have been reliably supplying LNG to four long-term major customers in the Asia region including China Petroleum and Chemical Corporation (Sinopec), Osaka Gas Company Ltd, Tokyo Electric Power Company Inc and CPC Corporation. "Our operations have the capacity to produce more than 8.3

million tonnes of LNG – an increase of 20 percent from the original design specification of 6.9 million tonnes per annum. “Over the life of the project, we estimate that the PNG LNG project will produce more than 11 trillion cubic feet of LNG.”

Record results reported

August 17, 2022, The National Business



K92 MINING Inc has recorded strong financial results for the 2022 second quarter (Q2). The company said it also had a strong focus on safety with one of the best safety records in the Australasia region since commencement of operations. The miner added that it had also implemented effective mitigation measures to allay the impact of the Coronavirus (Covid-19) pandemic. Record plant throughput of 108,853 tonnes was processed during the quarter, or 1,196 tonnes per day (tpd), significantly exceeding the stage 2 expansion run-rate and a 44 per cent increase from the second quarter of 2021. It also recorded a net income of US\$5.1 million (about K17.54 million) or \$0.02 (about K0.06) per share, a 17 per cent increase from Q2 2021 and quarterly revenue of US\$37.4 million (about K128.63 million), a five per cent increase from Q2 2021.

Chief executive officer and director John Lewins, said in the second quarter K92 continued its growth trajectory with multiple records achieved: record cash balance of US\$82 million (about K282.02 million) with no debt; record mill throughput averaging 1,196tpd that was significantly higher than the stage 2 expansion run-rate of 1,100tpd; record mine production averaging 1,258tpd, and, record average monthly throughput in June of 1,251tpd. Lewins added that the mine had recently achieved a major milestone in its copper-gold porphyry exploration, with the announcement of the maiden inferred resource estimate for the Blue Lake Porphyry of 10.8 million oz AuEq or 4.7 million lbs CuEq.

“We believe Blue Lake is only the tip of the porphyry iceberg at Kainantu. “In PNG, porphyries tend to cluster and there are five other porphyry targets proximal to Blue Lake, with A1 being of highest priority. “Soil sampling of A1 is expected to commence imminently, followed by diamond drilling.” He said on exploration, the mine’s fourth drill rig was now operating at Kora South and Judd South, and a fifth rig was now on order. Underground drilling of Kora South and Judd South has also commenced through long targeted holes. “Between our operational growth, copper-gold porphyry exploration and high-grade vein field exploration, there is certainly a lot to look forward to.”

PNG rich in mineral resources, Garry tells Aust investors

August 16, 2022, The National Business

PAPUA New Guinea is highly prospective in terms of mineral reserves, says Mineral Resources Authority managing director Jerry Garry. He told the PNG investment conference in Brisbane, Australia yesterday that within the 2,500 kilometres between PNG and Irian Jaya, “we have nine world class gold resource that are greater than 5million ounces”. “This simply means that PNG is highly prospective,” he said. “The major types of deposits we have is called porphyry copper deposits.” He said Bougainville was followed by Ok Tedi. The two new projects are Wafi-Golpu and Frieda River. “The other type of deposit we have is generally termed as epithermal gold. “And two of the largest in the world are Porgera and Lihir. Lihir is by far one of the largest in the world,” he said.

“Then we have Ramu Nickle, a lateritic nickel deposit. “There are six medium scale mines as well.” Garry said the priorities were to reopen Porgera mine, conclude the negotiation process with the Wafi-Golpu development partners, and get Frieda River a permit.” He said Simberi mine was processing the oxide ore, “which is really the weathered ore”. “And the surface where the ore have been exhausted or about to be exhausted. They have done feasibility studies on the underlying sulphide ore, and the economics look very promising.” He said the Hidden Valley mine had extended its mining lease to 2030 “but they technically have about five years of mine life, according to their reserves”. “With a bit of luck, they will extend beyond that but we are looking at 2027 to shutdown Hidden Valley.”

More than 500 guests to attend summit

BY LORRAINE WOHI, Post-Courier, 15 August 2022

The fourth PNG Energy and Petroleum Summit which will be held in Port Moresby next month is expecting a huge turn-out from PNG and across the region. The summit will be held at the Hilton Hotel in Port Moresby from September 20-22. Kumul Petroleum Holdings Limited managing director, Wapu Sonk confirmed that more than 500 people are expected to attend which is more than the 450 who attended last Summit. Mr Sonk clarified that there is no single theme given for the summit, however the important thing is getting everybody on the same page given that COVID-19 has prevented any gathering of this sort since late 2019. “After two years a lot has happened and what matters is getting everybody on the same page with regard to current developments, government and other stakeholders’ views on matters in the energy sector,” he said.

Many related topics will be covered during the event including the impacts of international events and activities such as the invasion of Ukraine and climate change on the future demand for and prices of energy. The important topics to be discussed is on the emerging role of the National Energy Authority as it grows in to its mandated role under new legislation and it takes over functions previously carried out by PNG Power & ICCC. The future LNG & energy projects in the pipeline, energy transition and the increasing role of renewable energy sources in PNG, government policy, policy drivers etc both in Petroleum and Energy sectors are also among the topics to be discussed during the summit.

Guests from the country’s leading oil and gas operators in the country including, TotalEnergies, ExxonMobil PNG as well as government departments and State owned agencies will be the main speakers of the summit. Representatives from the Facts Global Energy (FGE), High Arctic, and Chiyoda Corporation joined by few other international partners will also be part of the summit. Mr Sonk anticipates that for the government agencies responsible for this sector including the Department of Petroleum and National Energy Authority, they will use the event to ensure that the regulation of the sector is in line with the plans of other stakeholders and that they are fully aware of

the tremendous energy resources that PNG has and development of which could turn the economy around and expand it too.

Hidden Valley mine starts agri-business to help villagers

August 15, 2022, The National Business



Farmers and villagers of Nauti, Winima and Kuembu receiving support from Hidden Valley through a poultry pilot project.
– Picture supplied

THE Hidden Valley mine in Morobe has started potato and poultry projects to create agri-business opportunities for the people. A team from the mine delivered 840 kilogrammes of stock feed to farmers from Nauti, Winima and Kuembu villages to support a poultry project. Also supplied were feeding and drinking troughs and lamps. Through a partnership with Fresh Produce Development Agency, farmers from Nauti and Winima also received 1,400 kg of potato seeds. The team taught farmers potato planting techniques, chemical handling and fertiliser application.

Pasca A talks to resume: PM

August 15, 2022, The National Business

THE Government will resurrect negotiations on the Pasca A project, Prime Minister James Marape says. Marape said that they would start dialogue with them after negotiations had been stalled for months. “I assure resources licence holders for Wafi-Golpu, Pynyang, Papua, Pasca A and Porgera that to enjoy the benefits of the current regime, we need to work together to make investment decisions on their current license now,” he said. “We continue to work closely with them to get to that point that they make investment decisions. Our intentions are clearly demonstrated in the deal that we have agreed to for the new Porgera mine. “We have gained more on the different benefit streams for the Papua New Guinea stakeholder, and provided much respect to the interest of the investor,” he said. Marape, said that the Government was also committed to seeing that current projects on the pipeline were progressed.

“Porgera is the lowest-hanging fruit. “Papua LNG goes into Feed (front end engineering and design phase) soon. “We have a very good agreement with ExxonMobil on P’nyang and we will progress it in sequence with Papua LNG. “Wafi-Golpu is undergoing negotiations but a landing is in sight.” Marape said that the Government would also review the revenues from taxation and equity from resource projects. “We have been fortunate to be part of the high prices in the last couple of months, which is likely to yield enormous benefits from both the taxes and the equity. “We must make sure

that projects are not disrupted in any way. “We must finally settle all our commitments to landowners, and also ensure that the Sovereign Wealth Fund commences. We owe it to our future generation,” he said.

K92 mine announces large mineral find

August 11, 2022, The National Business

K92 MINING Inc says there is a maiden mineral resource porphyry at Blue Lake, after the initial discovery by the company in 2017. K92 vice-president exploration Chris Muller said the Blue Lake porphyry is evidently a very large, well-mineralised system, with a number of overprinting events that have introduced gold and copper. “In particular, those which are manifested as quartz stockwork veins and bornite mineralisation will be the focus of ongoing drill targeting at Blue Lake,” he said. “A very expansive silica-clay lithocap connecting Blue Lake with the A1 prospect is virtually untested by drilling and has the potential to host multiple gold-copper mineralised porphyries. “This resource declaration is the fifth largest known mineralised porphyry in Papua New Guinea in terms of pre-mined contained gold equivalent ounces, after the world famous Wafi-Golpu, Panguna, Ok Tedi and Frieda River porphyry deposits.

“It is truly remarkable to be able to look down upon the Lae-Madang Highway, a major transport route to the Lae international port, while standing on an outcropping undeveloped resource containing in excess of 10 million gold equivalent ounces, and as much as 15 million ounces using a lower cut-off grade.” K92 CEO and director John Lewins, added: “The maiden resource estimate at Blue Lake is a major accomplishment, defining a large-scale, potentially commercial gold-copper porphyry proximal to our high-grade Kainantu underground mine. “Importantly, we believe Blue Lake is only the tip of the porphyry iceberg at Kainantu and have gained a tremendous amount of knowledge for our porphyry exploration programmes going forward.”

Mining sector on track to reproducing 2020 results

August 11, 2022, The National Business



Papua New Guinea has been producing on an annual basis nearly 2 per cent of the world's gold produced in the mining sector, says Mineral Resources Authority managing director Jerry Garry. Business Reporter DALE LUMA this week discussed PNG's gold production with Garry.

Q What has gold production been like for the country in the first half of the year?



Mining operations in Ok Tedi Mine, Tabubil, Western. According to the MRA, the country's mining industry has done well over the years since the single operation on Bougainville in 1972. – Picture by Newcrest

GARRY: Before the closure of the Porgera mine during the quarter one in 2020, gold production was just over two million ounces a year. Now the amount of gold produced in any mine is directly dependent on the grade and the ore produced during that period of time. For example, if the gold grade in a particular deposit is low, it will affect the overall gold production in that particular year. In the case of Porgera, there are very high grade zones, commonly referred to as zone seven. It has very high grade gold. So the volume of material put through the processing plant could be low but the amount of gold you recover because of high grade will be relatively high.

So the measure of the amount of gold produced is a direct reflection or directly correlated to the grade of the ore material that is put through that processing plant at that given time.

Having said that, we have been producing above two million ounces in 2021, and dropped to 1.3 million ounces early this year up to May. We have produced close to half a million ounces of gold. By that indication, we are on track. In 2021, we produced 1.3 million ounces. And that's less output from Porgera. We are very much on track and we are likely to reach about 1.3 million ounces or 1.4 million ounces at the end of 2022. That's the total gold produced in this country, including alluvial gold.

Q How does current gold prices sit at the moment?

GARRY: The current gold prices would be just over US\$1,800 per ounce (about K6,192). We had seen gold prices since going back say 2020. We have seen a rise from around US\$1,500 (about K5,160) per ounce to over US\$2,000 (about K6,880) per ounce in 2020. But it averages about US\$1,775 per ounce (about K6,261). In 2021, it ranges from US\$1,800 (about K6,192) per ounce to US\$1,900 (about K6,536), but averages about US\$1,700 (about K5,848). So gold price has been very high, in fact higher than ever recorded in the history of gold. And in 2020, we are still maintaining every high gold prices – around US\$1,800 and expected to go beyond US\$2,000 per ounce. So it's going to be another good year for 2022 in terms of gold prices.

Q What are some of the factors that affects gold price?

GARRY: Gold prices are impacted by many factors. But generally, the number one and fundamental driver is the demand and global supply. If there's a high demand and low supply, it will drive the price up. Number two, gold is normally priced against the US dollar. So if you have a stronger dollar, than it will basically stabilise. But if the US dollar is weak, and again you can peg that against the consumer.

The currency that buys more gold in the world is India. So if the value of the Rupee against dollar is weak, it can't buy because the buying power is lost.

But if the US Dollar is weak, that the buying power of Rupee is strong.

So they buy more gold.

The value of the currency against the dollar is a critical factor determining the supply and the

consumption rate. If the local currency has more buying power against the US Dollar, then they will buy more gold, driving the price up. The other thing is the geopolitical tension. If you have tensions in key countries either supplying gold or consuming gold, obviously it will drive the price either up or down depending again on the strength of the dollar and value of the currency. The other main thing that also drives the demand for gold is the amount of gold in the reserve bank and the value of the desire of countries to hold gold as hedge against inflation and currency valuation. If the inflation goes up, then the price of gold goes up because the cost of producing an ounce of gold would have gone up. The cost of goods and services would naturally increase. So to suppress and stabilise inflation in the country, many times they hold gold to control inflation and currency valuation. It's a hard commodity that you can feel and touch. These are some of the factors that drive the price of gold up and down. Gold price is never fixed and it is always difficult to predict.

Q How has the country's mining industry progressed over the years and what is the outlook?

GARRY: When you look at the mining industry in this country, we have grown from a single mining operation in Bougainville back in 1972 where it was our lifeline. That mine alone actually carried the nation until we commissioned Ok Tedi and thereafter. In a nutshell, if Bougainville was still around and Porgera, Ok Tedi and Lihir, we have four of the world class mining deposits and also operations in the world. So in terms of the mining business from 1972, we commissioned Ok Tedi back in 1984, Porgera in 1989 and Lihir in 1986. All these mines with the contributions from Hidden Valley, Sinivit and Tolukuma etc, we have grown the industry in terms of gold productions. We have grown from around 200,000 ounces from the Bougainville days to up to 500,000. When we have Ok Tedi and when Porgera kicked in, we reached close to two million ounces. Ever since Lihir came into production, we have been hovering around two million ounces. So in terms of mining industry, we have done really well.

Over K14bil paid to govt

August 11, 2022, The National Business

PNG LNG Revenues to the State

| Category | Amount since 2014 <i>(Start of Production)</i> |
|--|---|
|  Distributions to Kumul Petroleum | PGK 7.1 billion |
|  Distributions to MRDC (Landowners) | PGK 1.2 billion |
|  Royalty | PGK 0.7 billion |
|  Development Levy | PGK 0.7 billion |
|  Tax* | PGK 4.5 billion |
| Total | PGK 14.2 billion |

*Estimated; Includes PGK 1.1 billion payment in April 2022
FX: 3.5 PGK/USD in 2022/2021, 3.4 PGK/USD for pre-2021

Table showing distribution of PNG LNG proceeds to the country since 2014.
- Picture supplied

The PNG LNG Project has paid over K14 billion to the State since the start of LNG production, according to ExxonMobil PNG Ltd. In 2021 alone, the State earned record revenues from the project, with over K2.2 billion delivered to the government. According to the company's recent newsletter, revenues delivered by the PNG LNG project included K7.1 billion flowing to Kumul Petroleum Holdings Ltd and an estimated K4.5 billion in various taxes paid to the Internal Revenue

Commission (IRC). “The revenues and associated benefits from the PNG LNG project provide the PNG government the opportunity to promote sustainable, long term economic development. “We are extremely proud of our performance in contributing to the PNG economy,” ExxonMobil PNG managing director Peter Larden said.

“Since 2014 we have delivered over K14 billion to the country, including some K4.5 billion in taxes. The tax figure includes the 2022 estimated tax payment of K1.1 billion made in April resulting from increased global oil prices and sustained volumes. “This is one of the largest single tax payments by the PNG LNG Project to date. “We are pleased to see this increased revenue going to the State.” According to the company, revenues from the PNG LNG project are delivered through different mechanisms, including corporate and payroll taxes, equity (through State participation), development levy and royalties.

As a founding member of the PNG Extractives Industry Transparency Initiative (PNG EITI), revenues and benefits from the PNG LNG Project as well as the broader petroleum and mining industry are reported and made publicly available. ExxonMobil PNG Limited (33.2 per cent), a subsidiary of Exxon Mobil Corporation, constructed and operates the PNG LNG Project on behalf of joint venturers: Santos Ltd (42.5 per cent), Kumul Petroleum Holdings Ltd (16.8 per cent), JX Nippon Oil & Gas Exploration Corporation (4.7 per cent), Mineral Resources Development Company Ltd (2.8 per cent). Petromin with its 0.2 per cent stake was incorporated into KPHL in 2016.

Ok Tedi commits to closure plan, highlights challenges

August 11, 2022, The National Business



OK Tedi Mining Ltd (OTML) says it is committed to ensuring the closure of the mine is done in accordance with the approved mine closure plan when production ceases. According to OTML, the plan which has been developed and updated since 1997 includes the decommissioning of mining infrastructure, rehabilitation of operation sites, ongoing monitoring of the affected environment, transfer of public infrastructure or services currently provided by OTML, and establishment of a fund to implement the plan. The company stated this during a Mine Closure Consultation Meeting that was held in Port Moresby last week which was organised by the Mineral Resources Authority (MRA) and attended by landowners, government and OTML representatives. The meeting was held to discuss OTML’s closure plan which is being reviewed and will be submitted to the MRA before the end of this year.

OTML is required under the Ok Tedi Act to review and submit an updated closure plan to the MRA every three years. “One of the key challenges is the transfer of public infrastructure and services which includes Kiunga power, water and sewerage systems, Tabubil Hospital, Tabubil township, and the maintenance of the Tabubil-Kiunga highway to third parties before mine closure but is not that simple since the operations of these facilities and assets are heavily subsidised by OTML,” the company said in a statement. “Third parties have shown interest but have been reluctant to take on these assets since they are not viable without OTML’s subsidies. “For example, each year the company spends over K10 million to subsidise power, water and sewerage services in Kiunga, a government township that has a population of over 20,000 people.

“OTML continues to have discussions with potential partners including the Fly River government to develop a practical model that will sustain these services post closure and OTML’s plan is to handover these services to the new owners while OTML is still operating.” It was also revealed at the meeting that the company had set aside US\$245 million (about K842.86 million) to implement the closure plan when the company ceases production. The amount is reviewed every three years as part of the closure planning process and additional contributions to the closure fund will be made if the estimated closure costs exceeds the current amount.

Act review ongoing: MRA

By DALE LUMA, August 11, 2022, *The National Business*

THE revised Mining Act is still being deliberated on and will require the Government and stakeholders to agree on it, says Mineral Resources Authority (MRA) managing director Jerry Garry. Garry said as it was now, the revised act was a major legislation that would affect the mining industry. Prime Minister James Marape has said that any new mining projects that are permitted before 2025 will come under the current legislations and any new projects that are permitted after 2025 will be subjected to the new legislations. “That should really provide stability but if you really look at what’s on the horizon, we really have Wafi-Golpu and Frieda,” Garry told *The National*.

“The other projects are small projects and if we are to get Mt Kare off the ground, it’s a small project.” Commenting on the progress of some of these projects, Garry said the special mining lease for Frieda had been lodged but assessment had been halted because MRA had been focused on Wafi and Porgera. “So that assessment has been deferred until we get these two other projects off the ground,” he said. “For Mt Kare, the former tenement holder brought the State to court and the State won the case. “So normal regulatory process has commenced but has been put on hold simply because of the general elections. “After the elections, the applications that are before MRA will be assessed.” Garry said MRA was waiting on the conclusion of the formation of the Government and would then start its regulatory activities which included two major tasks – Porgera and Wafi-Golpu.

Porgera businesses suffering: Chamber

August 10, 2022, *The National*

ALL shops in Porgera, Enga, are running out of stock, Porgera chamber of commerce and industry chairman Nickson Pakea says. Pakea said election-related violence had adversely impacted some communities, districts and provinces. “The amount of lawlessness in the district has forced people into a depression physically, socially and mentally,” he said. “The fear over the road being cut off due to election violence along the Wabag-Porgera highway saw almost 60 per cent of the community and all public servants.” Pakea claimed that this had affected the supply chain for basic goods and services.

“Stores operating at Porgera have also found it hard to get new stock and supply due to violence and tension is high vital at this time as counting is still going on,” he said. Pakea said innocent lives had been affected. “We are appealing to the government to provide the needed support like patching the ditch at Surunki and escorting trucking firms to Porgera and back,” he said. Pakea said that the people of Porgera had been badly affected because of the election-related trouble experienced in Enga.

Bid to review gas deal dismissed

By BEVERLY PETER, August 10, 2022 The National Business

AN application by the North Fly MP James Donald to review the P’nyang gas agreement between the Petroleum Department, State and ExxonMobil has been dismissed for failing to comply with court orders. Deputy Chief Justice Ambeng Kandakasi presiding at the National Court in Waigani on Monday said the court’s specific order had been for Donald’s lawyer to appear and they failed to comply. “The applicant has to come to the court and show cause why the case was filed in order to proceed and they failed to do that,” he said. “It is by law that the application be dismissed if the applicant consecutively fails to comply with court orders to appear on the date and time set.” This follows solicitor general Tauvasa Tanuvasa’s oral application to dismiss the proceedings on behalf of the State when there was no appearance by Donald’s lawyer Ralph Saulep.

There was no appearance by Saulep when the case was mentioned for hearing on Monday. The proceeding was filed on April 5 and on July 19, Deputy Chief justice Kandakasi set Monday for a hearing of the leave application and made orders for the parties to come prepared. A specific order made was to dismiss the proceeding if Donald through Saulep continued to fail to turn up and if not ready to proceed with the hearing. Tanuvasa said since the applicant had failed to appear to make their case, the court needed to dismiss it. “It seems that they don’t have interest in the matter anymore by not showing up,” he said. Donald through Saulep was seeking Court’s permission to review Petroleum Minister Kerenga Kua’s decision to enter into a heads of agreement signed on Sept 28, 2021; P’nyang Oil and Gas (LNG Project) Amendment Bill (2021); National Gazette No.118 dated Feb 22 pertaining to P’nyang Oil and Gas Amendment bill (2021); and, the glass agreement between the Petroleum Department, State and ESSO (PNG) P’nyang limited (ExxonMobil) in Port Moresby on Feb 22.

Donald said in the application that the amended Oil and Gas Act (2020) under which Esso (PNG) P’nyang limited (ExxonMobil) Ltd was permitted and licenced was not a law because it had not been certified and gazetted until and after the signing of the P’nyang gas agreement. He also sought to declare that the Oil and Gas (P’nyang LNG Project) Amended Act (2021) did not comply with the requirements of section 38 and 39 of Constitution on general qualifications on qualified rights. The additional orders sought were for the court to order Petroleum Department, State and ESSO (PNG) P’nyang Ltd to consult the landowner’s associations of P’nyang gas project in North Fly and the provincial government in relation to any development on the project. Donald said there was no such consultation before the signing of the agreement of gas project on Feb 22. He said the landowners were the direct beneficiaries of the project and should have been included according to the law.

Scientists discover dozens of new species in Pacific

Thirty new marine species have been discovered by an English and Hawaiian scientific expedition in the Clarion-Clipperton Zone in the Pacific.

Radio New Zealand on 10 August 2022



Gummy squirrel ("Psychropotes longicauda") at 5100 m depth on abyssal sediments in the western CCZ. This animal is ~60 cm long (including tail), with red feeding palps (or "lips") visibly extended from its anterior end (right). Photo: NOAA Office of Ocean Exploration

The zone is a geological submarine fracture measuring 7240km covering 5 million square kilometres between Mexico and Hawaii. Within the zone is the uninhabited Clipperton Island which is part of France. The Natural History Museum in London reports the expedition, named the DeepCCZ, found a range of extremely rare micro-fauna from starfish to sea cucumbers living on the seabed. Scientists picked up 55 specimens, among them 48 different species. The species were discovered using a remotely operated vehicle. Leader of the museum's deep sea research group Adrian Glover told the Natural History Museum there was high chance the megafauna was much more diverse. "However, we have never really had much information on the larger animals we call megafauna as so few samples have been collected. "This study is the first to suggest that diversity may be high in these groups as well."



A newly discovered worm species from APEI-4 that is unknown to science, this species will be given a description and a name. Photo: DeepCCZ Partners University of H

The objective of the mission was to understand the effects of deep sea mining on the Clarion-Clipperton zone's ecosystem. The Clarion-Clipperton zone is rich in minerals such as cobalt, nickel, magnesium and copper which are found in manganese nodules. It is administered by the International Seabed Authority and divided into 16 deep sea mining claims. Nodules are mineral concretions on the bottom of the sea formed from concentric layers of iron. They can vary in size from tiny

particles to the size of a potato lump drawing high economic interests to seabed mining companies. These metals are thought to be more common in seabeds areas than on land.



Manganese nodules: at the size of large potatoes, these are tens of millions of years old. Photo: NOAA Office of Ocean Exploration

Challenges in determining the new species

The lead author on a new study revealing this previously unknown diversity, Guadalupe Bribiesca-Contreras, told the Natural History Museum there were many challenges while identifying the new species. "We thought that some of the species we found were cosmopolitan, living across large areas of the ocean, but by looking more closely at their DNA we found that they are different species, possibly restricted to smaller habitats. "There are probably not yet enough samples to understand the variation within them fully. "Older deep sea specimens are often damaged, as they were collected by less gentle methods such as trawling," Bribiesca-Contreras said. "For instance, brittle stars have delicate arms which are often snapped, such as those collected on the Challenger expedition.

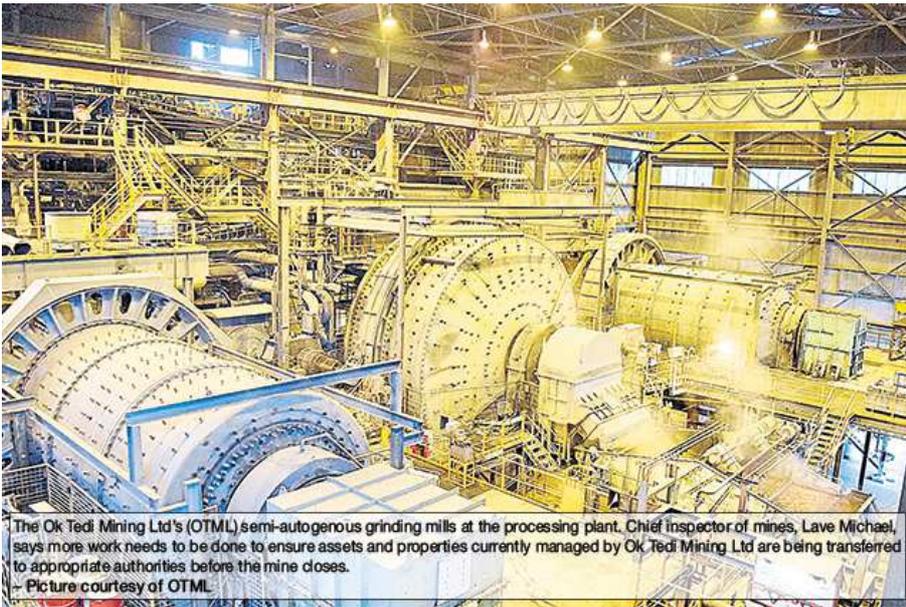
"This is a problem because these individuals are often used as type specimens. If characteristics are missing when comparing two similar animals, it's difficult to tell whether this is because they were lost during collection or because they are a different species. "Many older specimens were also put straight into formalin preservative, which makes it difficult to extract DNA." The museum's deep sea research team hopes to overcome some of these difficulties by comparing these specimens to megafauna collected in a recent voyage, with broader-scale imagery surveys. The team also hope to build a picture of the deep sea to inform important decisions which will affect the path of the green revolution. They intend to continue building up a picture of the deep sea to inform important decisions which will affect the path of the green revolution.

Concern over lack of action

By SHIRLEY MAULUDU, August 8, 2022 The National Business

CHIEF inspector of mines Lave Michael is concerned about the lack of work done in regards to the closure programme for the Ok Tedi mine (OTML) in Western. Michael said some assets currently managed by OTML should be transferred before the actual closure of the project. He expressed his concerns during the recent Ok Tedi stakeholders meeting in Port Moresby which was held to update stakeholders on the existing memorandum of agreement, mine closure plan and mine area rehabilitation plan of the project. "There may be some more regular actions we may discuss," he said. "But there are some actions that need to happen which are not happening. "We have been repeating

the same thing again and again. ‘We gather here, we talk about it and we do nothing. ‘That is my concern. ‘All the stakeholders. ‘The (Western) provincial government is not here.



‘That is one of the key stakeholders of this process of mine closure, apart from the landowners. ‘There are things like the hospital that should be transferred to an authority so that after the mine closure, that authority takes over. ‘We have got provincial health authorities already established. ‘We are not going to create another organism and that is going to chew up the limited funds that is available. ‘We also talked about the Kiunga water and sewerage system. ‘When will Ok Tedi transfer it? ‘In 2009, I followed up. ‘I made arrangements with PNG Water Board, they are well prepared. ‘Yet that is not transferred. ‘We are still holding onto these things.’

Michael said OTML did not have the licence to run the sewage and water system. ‘It has the licence to mine gold and copper from Mt Fubilan and process,’ he said. ‘That’s the licence you have. ‘We shouldn’t be talking about these wonderful plans (but) nothing is done.’ OTML manager community relations Kuam Sanewai said the company was in the process of transferring the assets to entities. ‘Power, water and sewage, we are trying to (transfer) assets over to the right authority,’ Sanewai said. ‘They did not have the capacity to manage the power so they pushed it back to Ok Tedi. ‘And to date, we are still looking for that. ‘Even PNG Power. ‘With the sewage system in Kiunga, we are continually talking to the Water Board, to manage that. ‘Right now, they are still in discussion. ‘They have few issues to highlight and address to make sure that people are not affected. ‘Currently, OTML is managing those assets well.’

LOs: Review benefits

By DALE LUMA, August 5, 2022 The National Business

THE Ok Tedi Mining Ltd (OTML) has contributed K64 billion to the welfare of the country at the expense of the environment, says Mt Fubilan Resource Association executive chairman Joshua David. He presented the landowners’ position during the Ok Tedi memorandum of agreement review and mine closure update conference yesterday. David said the review would create changes to benefit the landowners’ livelihood. ‘There is only 10 years left before the mine closure and we are concerned that with our geographical location, we will be forgotten and left behind post-mine closure,’ David said. ‘However, we have the opportunity through this review to ensure that our future is secured while Ok Tedi is in operation. ‘Since the initial MoA in 1991, certain undertakings have not been delivered or fulfilled.’



He said the OTML had contributed K64 billion for the benefit of the environment. “The land-owner’s welfare after the mine closure cannot and must not be ignored,” he said. “Ok Tedi operates on a social licence. “And the environment damage from Mt Fubilan down to the Fly is big,” he said. “Considering the life of Ok Tedi after 10 years, what will the future be like for us? None. “We don’t have any future.” He said Ok Tedi should be party to the agreement and the provincial government must step up too. “The agreement is between the State, Fly provincial government and mine lease landowners. “But we are looking at including OTML. The initial agreement was signed on Jan 9, 1991 and reviewed every five years. In the last 31 years, only two reviews were done in 2004 and 2017. This year’s review will be the third.”

Association pushing to increase royalty rate to 8 per cent

August 5, 2022, The National Business

THE Mt Fubilan Resource Association in Western wants to see an increase in the mining products royalty rate for the Ok Tedi Mine landowners, says chairman Joshua David. He said the current 2 per cent rate was one of the lowest in the world. The association wants it increased to 8 per cent. David said the association would work with the Fly River provincial government to pursue the increase. “The current mining products royalty rate of 2 per cent is the lowest in the world, and it has been the same for many years,” David said. “The state must (push it) to 8 per cent.

“The provincial government and landowners must pursue this change.” He said the current 50/50 split should be changed – 75 per cent to the landowners and 25 per cent to the Fly River provincial government. “Landowners are to decide on the on the split of their portion – whether to maintain the current arrangement or to make changes,” he said. “We are saying this because of the undertakings. They are getting 50 per cent and in terms of supporting the landowners through projects and Government services, nothing. “That’s why this is our position.”

US\$245 mil reserved for Ok Tedi mine’s closure plan

By SHIRLEY MAULUDU, August 5, 2022 The National Business

THE OK Tedi Mining Ltd (OTML) has accrued US\$245 million (about K843 million) in the Financial Assurance Fund (FAF) as part of the mine-closure plan, according to manager sustainability Ani Topurua. She addressed the Ok Tedi stakeholders meeting in Port Moresby yesterday. The

meeting updated stakeholders on the existing memorandum of agreement, the mine closure plan and mine area rehabilitation plan. The life of the mine is expected to end in 10 years. “The code states that OTML must, as part of the mine closure plan, provide financial assurance in an amount sufficient for the performance of the mine-closure plan,” she said. “The code also states that OTML must establish a reserve account satisfactory to the State in the joint names of the company and the State, to be known as the Ok Tedi Financial Assurance Fund to which money contributed by way of financial assurance must be credited.

OTML current has accrued US\$245 million in the FAF account.” She said about 90 per cent of the FAF portfolio, was invested in US dollar “and partially protected against deflation or inflation impacts by Treasury inflation protected securities”. Manager community relations Kuam Sanewai said the funding was for the mine-closure plan. Mine closure cost estimate by OTML is: 2009 (US\$277.5mil/ about K979mil); 2016 (US\$196.3mil/ about K 693mil); 2019 (US\$204.3mil / about K721mil). Department of Prime Minister and National Executive Council official Killian Anoser said there was a decrease in the figures because the Government had taken some money.

LOs call to reopen mine

August 4, 2022, The National Business



LANDOWNERS of the Porgera mine in Enga say the delay in signing the shareholder's agreement is not in their best interest. In a joint statement, the special mining lease (SML) and Lease for Mining Purposes (LMP) landowners said the new government should fast-track the mine's reopening. The request was made in light of promises made by Prime Minister James Marape and Governor Sir Peter Ipatas, to facilitate the stakeholder engagements necessary to restart the mine production. Porgera Landowners Association chairman Mark Tony Ekepa and Lease for Mining Purposes chairman Timothy Andambo said: “The main agreement for the reopening of the Porgera mine, namely the Porgera Project Commencement Agreement (PPCA), was signed several months ago and, as landowners who are rightful owners of half of Mineral Resources Enga Ltd (MRE), we see no reason why MRE has not signed the Shareholders Agreement, the next critical step in proceeding with the restart of the mine.” Sir Peter told The National this week that the MRE would not sign the shareholder's agreement until the 15 per cent equity was factored in the deal.

The landowners' statement said the Government had benefitted significantly in the new Porgera deal which represented a 51 per cent /49 per cent equity split and a 53 per cent /47 per cent

economic benefit split in favour of the PNG stakeholders. “This is a fair agreement for the future of Porgera and all its stakeholders. The project-impacted landowners, leaders and beneficiaries see no reason for the delay. “The shareholders agreement is a flow-on agreement from the first and should not present any obstacles, and was agreed by MRE when they executed the PPCA. “In the opinion of SML and LMP landowners, the unnecessary delays are no longer in the best interest of stakeholders (landowners, province and country) but merely grandstanding propaganda for certain people and institutions. “We believe the delays are engineered to serve individual interests at the expense of the genuine landowners and community. We sincerely ask the new government to fast track the reopening or it will be challenging and costly to bring the mine back to production if we allow it to remain shut any longer.”

Kainantu Mining Ltd opens police facility worth K1.4mil

August 4, 2022, The National Business

THE Kainantu (K92) Mining Ltd last Friday opened its new police facility built at the cost of K1.4 million. The facility will cater for 40 police personnel at any one time to provide security at the mine. Company general manager Peter Du Plessis said they prioritised security at the mine site and such facility was necessary. He said the police represented the public sector. “They will provide security not only to the mine site but also to the surrounding communities,” said Plessis. He said the company wanted to operate a successful mining project and the investment in the facility was justified. “This is an important investment that we have made. “Together we can make this project a success,” he said.

He added that the mining company also planned to build K600,000 facility for senior officers. “What the mining company is doing at the moment is not confined to security for the mining alone. “This is something that the communities around us can be proud of as it is one of the services we are trying to provide to the people.” Eastern Highlands police commander Superintendent Michael Welly thanked the K92 Mining Ltd for the initiative saying it would further strengthen the law and order partnership. Supt Welly said it would help make their presence in the communities more visible. Morobe police commander Supt Jacob Singura who witnessed the opening said finding accommodation was a huge problem. Singura added that with such facility, police can now do effective policing duties in the surrounding communities.

Council considering Ok Tedi’s bid to extend lease

By SHIRLEY MAULUDU, August 4, 2022, The National Business

THE application by Ok Tedi Mining Ltd (OTML) for the extension of its special mining lease (SML) is before the mining advisory council, an official says. Mineral Resources Authority (MRA) technical compliance officer Las Kuri told the Ok Tedi stakeholders meeting yesterday in Port Moresby that the council was considering the application. The meeting was held to update the stakeholders on the existing memorandum of agreement, mine closure plan and mine area rehabilitation plan of the project. “Ok Tedi has applied for the extension of its SML 10 with 24 ancillary tenements, two mining easements and 22 LMPs (leases for mining purposes),” Kuri said. “It was initially granted in 1981 for 21 years up to 2002,” he said.

First extension was in 2002 up to 2022 which has expired and for 20 years, and they have applied for the renewal, which they have sought the extension from 2022 and beyond. “So the number of years will depend on the level of resources they have and will also depend on the State deliberation. “The status is that it has been deliberated by the Mining Advisory Council and the matter is with them. “The council required further information from the OTML so they will send out notice to the

proponent or the applicant so they can provide further information for assessments. “As it is now, it is a matter of the mining advisory council to deal with the proponent. “The warden hearing has been completed.”

PDL 7 LOs access K22mil

By SHIRLEY MAULUDU August 3, 2022 The National Business



THE Petroleum Development License 7 (PDL 7) landowners of the PNG LNG project area will be the first group to access benefits under the Kroton Equity Option. This was recently made possible through the establishment of the Kroton Laitepo Holdings Limited. It will become the vehicle which the Kumul Petroleum Holdings Ltd (KPHL) will transfer the benefits to. KPHL managing director Wapu Sonk said the group’s benefits accumulated over five years was about K22,702,000. “We are here to witness two things. One is the issue of the share certificate to their registered company and, second, the handover of the dummy cheque, for the preferential dividend that we have accumulated since 2017,” Sonk said. He urged other beneficiary groups to complete their eligibility criteria compliance so they could also receive their benefits.

Kroton Laitepo chairman Andy Hamanga said the PDL 7 was made up of 277 beneficiary clans. The company has sought advice to use the benefits to invest in sectors including oil and gas, and real estate. Under the 2009 Kokopo UBSA agreement, the government granted Kroton equity beneficiary group an option to acquire an indirect 4.27 per cent interest in the PNG LNG project by buying 25.75 per cent of the shares in Kumul Petroleum Kroton Ltd, which then was known as Kroton No.2 Ltd. It is the special purpose subsidiary of Kumul Petroleum that holds the State’s 16.57 per cent interest in the PNG LNG project. According to Kumul Petroleum Holdings Ltd, the five provincial governments and landowners from the well-head, pipeline and plant site areas along the footprint of the PNG LNG project constitute the Kroton equity beneficiary group.

Include 15pc equity, Ipatas says

By GYNNIE KERO, August 2, 2022, The National Business

ENGA Governor-elect Sir Peter Ipatas says the 15 per cent free carry equity has to be included before the Mineral Resources Enga (MRE) can sign the Shareholders Agreement for the Porgera gold mine. Commenting on the delay by the MRE to sign the agreement yesterday, Sir Peter said they

wanted to see the 15 per cent reflected in the agreement first. The shareholder's agreement once signed would enable Porgera gold mine operator, Barrick Niugini Ltd (BNL), to lodge an application with Mineral Resources Authority for a mining licence. Once the MRE signs the Shareholders Agreement and other associated agreements, the first step towards restarting preparations can begin with the incorporation of the new project company, New Porgera Ltd, and the submission of a new SML (special mining lease) application to the Mineral Resources Authority.

Sir Peter said: "We (MRE) want the 15 per cent free equity split reflected (in the shareholder's agreement) before we can sign. "That's the only hold up." BNL president and chief executive officer Mark Bristow earlier explained that the restarting of the Porgera mine remained on hold, awaiting the completion of the conditions for the mine to reopen. The first step is the full execution of the Shareholders Agreement by the MRE. Bristow said BNL continues to maintain regular discussions with the State negotiation team and concerned parties, including MRE and the Porgera Landowners Association, with the hope that MRE will sign the Shareholders Agreement at the earliest possible date. Bristow said Barrick was ready to finalise all remaining matters to allow the mine to restart.

The recent conflict in the Porgera Valley has led to deaths, assaults on Porgera residents, including women and children, the burning of houses and businesses, and the closure of the Paiam Hospital, Porgera Secondary school and BSP Financial Group Ltd. Chief executive officer Robin Fleming yesterday said BSP had to close its Porgera branch temporarily last month following a deterioration in the law and order situation in the area. Fleming said: "The safety of our staff at Porgera was at risk as were the safe operations of our branch. "Our staff who are not from Porgera and critical assets were moved from Porgera as part of this process. "July 20, BSP's staff residential properties were broken into and ransacked despite the presence of external security personnel at the premises. "We have been monitoring the situation and security assessments have indicated that the situation has not improved over the past two weeks."

Drilling project on target

August 1, 2022, The National Business



GEOPACIFIC Resources Ltd remains on target to deliver a resource update in the Fourth Quarter for the Woodlark project, plus further drilling to validate the exploration potential on the mining lease, says chief executive officer Tim Richards. Richards said the company had underlined the

growth potential of the project with gold assays from regional exploration targets within the tenure, positioning the company well for a resource upgrade later this year. Drilling at the Talpos and Watou targets generated several notable results in the first 18 holes received, including:

- **TARC22008:** 11 metres at 3.04g/t (Grams per tonne) gold from 49 metres and 11 metres at 0.74g/t gold from 63 metres;
- **TARC22003:** 3 metres at 2.66g/t gold from 32 metres; and,
- **WTRC22006B:** 10 metres at 2.80g/t gold from 68 metres, including 4 metres at 5.35g/t gold from 69 metres.

“These results highlight the potential of Talpos and Watou, which represent the broader exploration opportunities of Woodlark Island, located as it is on the southern end of the mining lease,” Richards said. “A further seven holes are awaiting assay (the testing of a metal or ore to determine its ingredients and quality) at the laboratory, while a reverse circulation drilling programme is underway at Woodlark, to be accelerated by the addition of a diamond drill rig. “The infill, resource extension and now mining lease exploration drilling programmes are essential inputs into the ongoing Woodlark Island re-evaluation and optimisation process. “These drilling programmes deliver key technical inputs that are integral for project reassessment. “Geopacific remains on target to deliver a resource update in Q4 2022 along with further drilling to validate the exploration potential on the mining lease and potentially other targets. “Woodlark currently holds a mineral resource of 47 million tonnes at 1.04 g/t gold for 1.5 million ounces.”

Feed studies good sign for PNG: Sonk

July 29, 2022, The National Business

THE decision by TotalEnergies and its partners to launch the front-end engineering and design (Feed) studies for upstream production facilities is a good sign for PNG, an official says. Kumul Petroleum Holdings Ltd (KPHL) managing director Wapu Sonk said: “As a potential co-venturer in this LNG project, we are glad that this decision was made by TotalEnergies and its partners. The studies are for upstream production facilities on the 5.4 Mt/year liquefied natural gas (LNG) project that the company is the operator of. Sonk said studies for the downstream liquefaction facilities were also progressing in line with the overall project schedule. The objective is to launch the integrated Feed in the last quarter of this year. “The project is targeting a final investment decision (FID) around the end of 2023, which will enable project construction to commence, leading to a projected project start-up at the end of 2027.”

As the national petroleum company, he said KPHL would be exercising its right to take up to 22.5 per cent equity in project, and join partners TotalEnergies, ExxonMobil and Santos. “We have seen the many benefits that have come about as a result of the ExxonMobil led PNG LNG project,” Sonk said. “I foresee that the lessons learned from that project will enable all Papua New Guinea stakeholders to maximise their various benefits from the Papua LNG development. “The Papua LNG construction will have large multiplier effects in the economy. “The decision by Papua LNG to enter Feed would benefit many stakeholders since after the completion of an estimated four years of construction, the plan is to then start the construction of the P’nyang LNG Project, which will take another three-four years to construct.”

Sir Gibbs: Let Porgera case flow

By GEORGINA KOREI, July 29, 2022 The National Business



CHIEF Justice Sir Gibbs Salika says there are no issues with the reopening of Porgera Mine as the two disputing parties have resolved their matter. Sir Gibbs said this while presiding on a three-man bench comprising Judge Paul Tusais and Judge Nicholas Miviri in the Waigani Supreme Court on a special reference made by the Attorney General. Sir Gibbs said there should be no more delay in the proceedings as the case was set for hearing today (July 29) after being adjourned several times. “If the Independent State of Papua New Guinea has agreed for the mine to be reopened then why the proceedings?” Sir Gibbs said. He said the agreement was from the head of government and there did not need to be any waiting for the mine’s reopening. “Section 19 reference is for the court to give order for the future, it should not affect the agreement between Barrick Niugini Ltd (BNL) and the State,” Sir Gibbs said.

Lawyer Laias Paul Kandi representing the Attorney General said the special reference arose from the two Supreme Court decisions and it was one of the 23 cases that were filed by BNL, however he asked the court for an adjournment. “By the end of this year, the parties should reach an agreement and the mine should be reopened,” he said. He said that a reason for an adjournment would be that the counsel representing BNL was not in the country. Lawyer Austin Edo standing in for lawyer Mal Varitimos (Queen’s Counsel) to represent BNL said he was unable to provide to the court the status of the case as he had not been advised. “There were no instructions given to me on the status of the matter so I ask the court for an adjournment to September so I can prepare and come back,” he said.

Sir Gibbs in response told Edo that “lawyers should not dictate to the court your availability, the court determines the dates”. “The lawyers working on this case should be ready for anything and everything unless their minds are taken away by the elections,” he said. “I’m informed that the case was ready for hearing on July 2021, and it is taking too long,” he said. “The submissions should be ready by now since it was a case for 2021 and I do not think that there should be a change in the submissions as not many new things have happened. “There are so many constitutional questions that need to be answered or interpreted by the court and we should not delay.” The special reference arises as a result of the following:

- ON Oct 1, 2020, the Supreme Court in proceedings SOM 12 of 2020 granted leave for the appellant (BNL) to amend its orders 16 statement and also to include a further ground of judicial review to the effect that the head of state had acted beyond its powers; and,
- ON Oct 6, 2020, the Supreme Court Comprises in proceedings SOM 13 of 2020 granted partial discovery of certain documents sought to be produced by the appellant (BNL) with documents including submissions to the NEC and advice provided to the governor-general by NEC.

The case was adjourned to Sept 28.

Saving the seas from exploitation: Lelei LeLaulu

From [Nine To Noon](#) on 28 July 2022, RNZ 29 July 2022

Granting personhood to oceans via a universal declaration of rights for oceans is seen by some as the only hope of saving them from further exploitation. Washington DC-based expat Lelei LeLaulu, was born in Samoa, grew up in Auckland, and is a graduate of Auckland University, and is one of the key people involved in the initiative.

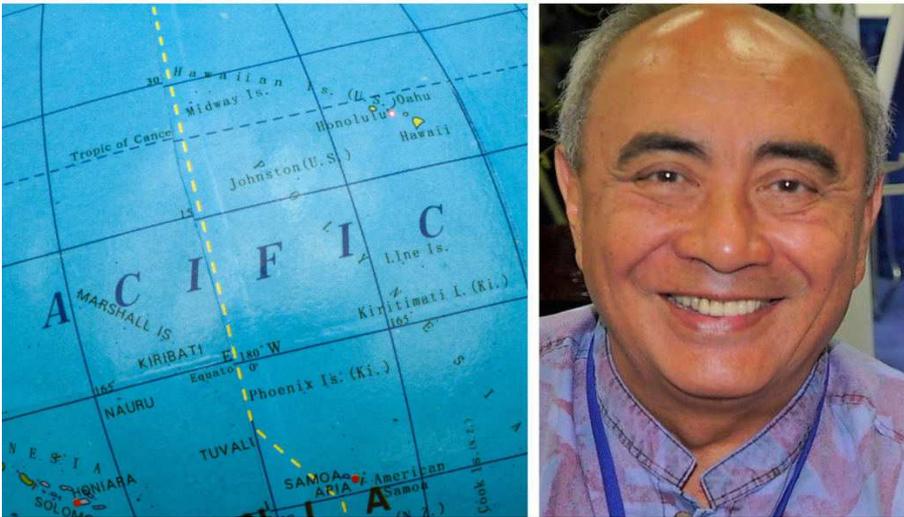


Photo: supplied

He's also an advisor for the Global Ocean Energy alliance that's trying to help the Pacific Islands to wean themselves off the crippling cost of importing oil by generating energy from the oceans. The alliance was launched last month in Lisbon by Small Island Developing States (SIDS) heads of government, NGOs and corporates. His colleague, oceanographer Sylvia Earle, put the peril oceans face into sharp focus, he tells Kathryn Ryan. "Sylvia Earle is probably the greatest oceanographer that we have. And were it not for the fact that she's a woman and works with oceans, she'd be as well-known as David Attenborough. "And when I brought Sylvia to the World Bank to talk about oceans, and she threw up a picture of the world, of the globe, and said, 'this is the World Bank'. "The problem is that there have been too many withdrawals from the World Bank, but not enough deposits.'

"So, what's happening is that we're destroying the ocean because we haven't given the ocean a voice. And she said, look, we have to protect the oceans. Because if we don't, without a blue, there's no green." The aim is to submit a universal declaration of ocean rights to the United Nations General Assembly in 2024, he says. "It's early times yet, and the coalition is being formed with a rather disparate group of alliance members, everything from an ocean yacht race, through to small NGOs in different parts of the world, and a couple of governments, and also some private sector people." Giving personhood to the Whanganui River is a good precedent, he says. "The ocean has

basically been a commodity, it's been ripped off because no one recognises what it is except the transit area for 90 percent of the world's trade, and also for 16 percent of the protein for people around the world. "We think that by giving ocean personhood, then people will have to think twice about messing with it."

And it would give a legal framework to go after people who do damage, he says. "The Supreme Court of the United States has given corporations personhood, they've given corporations personhood, but oceans which produce 50 percent of the world's oxygen and which sequester over 50 percent of the carbon on Earth, feeds billions of people around the world that has no personhood, that's just another thing which people can use and exploit as they like. "But once the ocean does get recognition, then things will change. And the thing is that, in advance of getting approval by the UN General Assembly, which is a hugely torturous exercise, as we saw with the drafting of the UN Conference on Law of the seas, it doesn't matter so much, because the fact that it is underway, and the movement grows and grows, people, corporations, and those who would do harm to the ocean know that they're being watched." It is a shift away from looking at the ocean purely as a commodity, he says.

"And see it as an integral part of the spiritual, physical and other development of we as humans, because after all, we slunk out of the ocean to where we are today." Another project is to unlock the energy potential of the ocean through a process called ocean thermal energy conversion, he says. "We launched the Global Alliance for Ocean Energy in Lisbon at the UN Oceans conference to basically gather together the islands in a single voice, not just from the governments, but also from the private sector and NGOs. To enough is enough, we have to look at ways of developing technologies, which can give us our energy requirements from the ocean. "And there's a ton of it. The focus at the moment is ocean thermal energy conversion, OTEC, which essentially means that you're drawing cold water from the depths and then passing it over the warmer surface water producing steam to drive turbines." Island nations have an abundance of potential power this way, he says, freeing them from dependence on expensive fossil fuels. "This is what we hope to give them by harnessing the power of the oceans to generate electricity and power for small island developing states."

Simberi mine recovers from pandemic's effects

July 28, 2022, The National Business



The ore processing plant at St Barbara's Simberi operation in New Ireland. – Picture courtesy of St Barbara

ST BARBARA Ltd's Simberi operation site saw significant improvements to volumes of ore mined, waste mined, and ore milled as it recovered from the impact of the Coronavirus (Covid-19)

outbreak that affected ramp-up rates in the prior quarter, according to the company. The company in its fourth quarter report for 2022 financial year ended June 30, said due to Covid-19-imposed border restrictions, its first on ground chief executive officer operational review for two years occurred in the third quarter. In collaboration with the new general manager on site, a revised mine plan has been developed which delivered more ore to the mill improving production.

The AISC (all in sustaining cost) at Simberi dropped by 41 per cent to US\$2,416 (about K5,762) per ounce as the site continues recover from the impact of the Covid-19 in February 2022. The company announced a strategic review of the Simberi asset on June 22. Front end engineering design (Feed) study work for the sulphide project was completed during the quarter. A number of parties have expressed interest to acquire the asset and discussions with interested parties are underway. Meanwhile, St Barbara managing director Craig Jetson said the mine had finished the year strongly, “achieving both our production and cost guidance at a site and group level for financial year 2022”.

Porgera mine restart on hold until agreement executed by all
July 28, 2022, The National Business



Mark Bristow addressing locals in Porgera recently. – Nationafilepics

THE delay in re-opening the Porgera gold mine in Enga means the deprivation of benefits to stakeholders and increasing care and maintenance cost. The recent spate of violence including killings and the destruction of properties in the Porgera Valley pose security risks to the people living near the mine site. Care and maintenance cost between US\$10 million and US\$12 million (about K35 million and K42 million) a month. That figure will increase when the security cost is included.

Barrick Gold president and chief executive officer Mark Bristow arrived in Port Moresby this month as a part of his regular quarterly visit to all Barrick operations globally. During his three-day visit to PNG, Bristow met with Prime Minister James Marape and visited Porgera to meet with the landowners and business owners, church leaders and community representatives. The mine is into its third year of care and maintenance. Its resumption is awaiting the completion of the Shareholders Agreement by the Mineral Resource Enga Ltd (MRE).

Bristow said Barrick continued to maintain regular talks with the State negotiation team in the hope that the MRE would sign the agreement at the earliest possible date. Around 50 landowners representing areas affected by the Special Mining Lease (SML), Lease for Mining Purpose (LMP), Porgera Landowners Association (PLOA) and MRE attended the meeting with Bristow. Bristow told them the Porgera project commencement agreement (PPCA) provided a 1 per cent increase to the royalty rate to 3 per cent, plus an additional 10 per cent free-carry equity to be shared by the province and the wider project-impacted landowners. This is on top of the 2.5 per cent held by Enga and the SML landowners through the MRE. The PPCA demonstrates that the BNL and the Government are committed to providing more tangible benefits for project-impacted landowners and Enga. Once the MRE signs the agreements, the first step is to incorporate the new project company, New Porgera Ltd and submission of a new SML application to the Mineral Resources Authority.

Before leaving Port Moresby, Bristow said: “All we need is for the shareholder’s agreement to be signed so we can create a new company (and) apply for the mining lease. “We have already spent US\$338 million (about K1.19 billion) for holding that place in neutral where we can. “We can’t operate but we can maintain. “Care and maintenance is costing us US\$10 to US\$12 million a month (about K35 million and K42 million).” Bristow said Barrick worked closely with host nations. “It’s about sharing benefits equally,” he said. “Porgera has substantial life. Reserves are over 10 years, with potential to go over.” He said Enga was “a tough place”. “I’ve had discussions with the prime minister (James Marape) and he has promised to mobilise more security because that is what we need,” he added.

Bristow became president and chief executive officer of Barrick on Jan 1, 2019, following the completion of the merger with Randgold Resources. Previously, since its incorporation in 1995, he was the chief executive officer of Randgold following his pioneering exploration work in West Africa. He subsequently led Randgold’s growth through the discovery and development of high quality assets into a major international gold mining business. Bristow played a pivotal role in promoting the emergence of a sustainable mining industry in Africa. “I built a company, Randgold Resources, a sub-Saharan African focused company. “The relationship between the two companies is that I modelled Randgold on the original Barrick which is very entrepreneurial, focused on value and quality assets.

“So over a period of two and a half years (2015- 2018), I negotiated a merger with Barrick. “We combined the two companies. Why? “Because of some challenges. “Porgera was a challenge. “Barrick was struggling with a massive debt of US\$12 billion (about K42 billion). “Porgera was too complicated. “So they sold half (shares) to Zijin (Mining Group Company Ltd). “When I got involved I recognised the value of Porgera. “Simplistically, I’m African-born. “I believe in emerging markets. “And my mantra in asset quality overrides jurisdiction.” During his career, Bristow has held board positions at a number of global gold mining companies. He holds a doctorate in geology from Natal University in South Africa.

Mine campaigners' complaint success

Radio New Zealand, 28 July 2022

There's been some success for campaigners trying to stall the development of a huge copper and gold mine in Papua New Guinea's Sepik region. Project Sepik and Jubilee Australia have had the Australian National Contact Point of the OECD accept their complaint about the threat posed by the tailings dam for the huge mine project on the Frieda river, a tributary of the Sepik River. Their complaint asserts that Brisbane-based, but Chinese owned, Pan Aust Ltd, had failed to get free, prior and informed consent from the local communities.



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

They said the planned tailings dam, covering more than 31,000 acres, would need to safely hold waste from the mine forever. But it's to be sited in an earthquake-prone area that gets heavy rain, and a flood could destroy the huge Sepik River and the livelihoods of 430,000 people. Jubilee Australia's Luke Fletcher said both bodies hope the acceptance of the complaint will lead to an important shift in awareness of how extractive sectors impact on indigenous peoples.

BSP: Mine reopening to boost growth

July 26, 2022, The National Business

THE reopening of the Porgera gold mine in Enga will be a catalyst for growth after the Coronavirus (Covid-19) pandemic, says the Bank of South Pacific Financial Group Ltd. BSP group chief executive officer Robin Fleming, providing an insight into the *BSP Pacific Economic and Market Insight Q2 2022* report, said the resumption of production at the Porgera gold mine would represent a significant injection into the PNG economy. He said some of the key mining industries were awaiting the finalisation of negotiations, projections are looking positive with anticipation of some operations commencing as early as the first half of 2023. The outcome of the General Election and the policy priorities of the emerging government will determine the pace of these process. "We expect that the re-opening of the Porgera mine will be a key priority for the Government that emerges from the 2022 General Election," Fleming said.

“Porgera and other resource investments are important as the post-Covid economic activity has been led by government spending in infrastructure, and private investment is important to make the recovery sustainable in the long term. “PNG has benefited from high global prices for its major exports in 2022. “Mining exports in particular have seen sustained price increases which positively impact PNG’s gross domestic product (GDP), and present much upside for economic activity and government revenue generation.” Fleming also said the recent positive announcements made on large resource projects present some upside in the medium term. “Apart from the reopening of the Porgera gold mine, Wafi-Golpu, Papua LNG and P’nyang LNG are still being progressed,” he said. “The delivery of these large projects represent a significant injection into the PNG economy and will ultimately impact growth and government revenue.”

Deal to stop industrial action at New Caledonia nickel company expected today

Radio New Zealand on 26 July 2022

A deal is expected to be signed today in New Caledonia between the Prony Resources nickel company and the main union to avert threatened industrial action. The union has been at odds with Prony Resources over the hiring of hundreds of foreigners for the construction of a new residue storage facility. It has said that there are locals available to do the work. Yesterday, the ferry carrying personnel from Noumea to the plant was delayed by a protest, with the union warning to shut down the site over its misgivings. However, the public broadcaster said an understanding has been found and a deal will be signed today.

Barrick will continue to maintain Port Moresby office: CEO

July 25, 2022, The National Business

Barrick (Niugini) Limited (BNL) says it will continue to maintain its Port Moresby office. The company said in a statement that it would continue to operate in the country after the incorporation of New Porgera Limited. Barrick president and chief executive officer, Mark Bristow, explained that Barrick recently opened a Perth office for Barrick’s Asia Pacific growth operations. “Barrick has recognised the potential for the mining industry in the Asia Pacific region with current operations in Papua New Guinea and Pakistan. “We are looking at other mines throughout Asia Pacific, and the new Barrick office in Perth will allow for our move into the region.

“As for the Porgera mine, our head office for all of Papua New Guinea operations is Port Moresby and will continue to be after the shareholders’ agreement is fully executed,” Bristow said. Bristow said that Barrick’s approach is to ensure that the countries in which Barrick has primary operations, is managed by citizens of that country. “The Porgera project commencement agreement shows our genuine intention to nation building here in Papua New Guinea,” Bristow said. “On top of the 51 per cent equity to PNG stakeholders, of which 10 per cent is protected equity for project-impacted landowners, we are committed to building a predominantly PNG national workforce at Porgera Mine and refining our approach to localising our supply and business contracts.”

Bristow: Sign agreement

July 25, 2022, The National Business

CARE and maintenance costs of Enga’s Porgera gold mine will reach US\$580 million (about K2.03 billion) if it’s reopening is not ramped up to January, Barrick Niugini Limited president and chief executive officer Mark Bristow says. He said what the miner needed was the shareholder’s agreement signed. Bristow, who was in the country last week for three-day visit, said there were positive

indications from the state and stakeholders to reopen the mine as soon as possible. “We have already spent US\$338 million (about K1.18 billion) holding the place, if we delay the start up to January it’s going to be US\$580 million (about K2.03 billion),” he said. “This delays everyone’s benefits going forward. “All we need is for a shareholder’s agreement to be signed so we can create a new company, new Porgera and then you can apply for the mining lease. “Key is we are going to employ 2,000 people.”



Barrick president and chief executive officer Mark Bristow in Porgera, Enga, on Thursday where he met with project area landowners and business, church and community representatives.
– Picture supplied

Bristow met with 50 landowners representing areas affected by the special mining lease (SML), lease for mining purpose (LMP), Porgera Landowners Association (PLOA) and Mineral Resources Enga Limited (MRE) in Porgera on Thursday. He reaffirmed BNL’s commitment to restart the mine ensuring that project-impacted landowners would reap the benefits agreed to in the Porgera project commencement agreement (PPCA). “The Porgera project commencement agreement allows for a wide range of benefits to project-impacted landowners never seen by any other mining project in Papua New Guinea or globally. The immediate requirement is the signing of the shareholders agreement by Mineral Resource Enga, and agreement to the equity split at the development forum,” he said. PLOA chairman Mark Tony Ekepa said his association’s stance was to have the 10 per cent protected equity parked in a separate entity established by the SML landowners, and not in Mineral Resources Enga.

“Ekepa added his support for BNL’s proposal to have the equity split confirmed at the development forum for 7.5 per cent to SML landowners and 2.5 per cent LMP beneficiaries. Newly elected LMP association president, Timothy Andambo, said LMP landowners were grateful to have finally been recognised as falling within the impacted group (as defined in the PPCA) that would now hold (2.5 per cent) equity in the project. The project-impacted landowner representatives thanked Bristow and the Barrick executive for visiting Porgera at this critical time when Porgera was seeing an unprecedented violence in the community. Bristow said he was disappointed and gravely concerned with the security situation on the ground saying it was worse than the conflict zone he was at in South Africa. He also met with Prime Minister James Marape.

Tiefseebergbau Die Jagd auf die Schätze im Meer

Mit dem zunehmenden Bedarf an Edelmetallen für Batterien und Solarzellen wird der noch verbotene Tiefseebergbau interessanter. Einige Unternehmen machen sich bereit. Umweltschützer sind hingegen alarmiert: Energiewende ja – aber zu welchem Preis?

Von Maren Jensen, Manager Magazin/Spiegel Online, 25.07.2022



Erstes Schiff für den Tiefseebergbau: Das Bohrschiff Hidden Gem von The Metals Company steht seit September 2021 im Seehafen von Rotterdam; Foto: Jochen Tack / IMAGO

Auf dem Grund der Meere, in 2.000 bis 6.000 Metern Tiefe liegen die Schätze des 21. Jahrhunderts: Tonnen unerschlossener Edelmetalle in Form sogenannter Manganknollen. Die erdig-braunen bis schwarzen Mineralklumpen, die überwiegend aus Kupfer, Nickel, Kobalt und Zink bestehen, könnten wichtige Rohstoffe für die grüne Transformation der Industrie liefern. Laut Analysten von BBC Research könnten die Ozeanschätze ein Marktvolumen von bis zu 15 Milliarden Dollar haben – und schon bald einen neuen Rohstofffrausch auslösen. Unternehmen wie The Metals Company aus [Kanada](#) oder Allseas aus der [Schweiz](#) machen sich schon bereit, die Klumpen aus der Tiefe zu fördern. Doch noch ist der Abbau verboten, seit das Internationale Seerechtsübereinkommen der Vereinten Nationen im Jahr 1982 den Tiefseeboden außerhalb der nationalen Hoheitsgebiete und die mineralischen Ressourcen zum "Gemeinsamen Erbe der Menschheit" erklärte. Die Manganknollen dürfen nicht einfach abgebaut werden.



Knollenbeute: Deutsche Wissenschaftler mit geförderten Manganknollen für eine Studie im Jahr 2016; Foto: Bundesanstalt für Geowissenschaften und Rohstoffe/dpa

Bisher war das auch kein Problem – der Bergbau an Land reichte aus, um den globalen Bedarf an den Metallen zu decken. Doch mit der voranschreitenden Energiewende und der daraus wachsenden

Nachfrage nach Edelmetallen für Batterien und Solaranlagen wird der Ozean wieder interessanter. 2017 versuchten einige Staaten und Unternehmen das Regelwerk erneut mit den Vereinten Nationen zu verhandeln. In der Pandemie beruhigte sich die Debatte, doch spätestens seit Beginn des Ukrainekriegs und der Explosion der Rohstoffpreise steigen die Begehrlichkeiten wieder. Die Förderunternehmen und einzelne Regierungen erhöhen nun erneut den Druck auf die von der Uno gegründete Internationale Meeresbehörde (IMB). Mit Erfolg: Sie stellt derzeit in Aussicht, den Tiefseebergbau ab 2023 freizugeben, um an die wichtigen Metalle im Meer zu gelangen.

Für Umweltschützer ist die Vorstellung ein Albtraum: Sie befürchten zerstörerische Auswirkungen auf die Meere und auf bisher unbekannte Ökosysteme, wie Rebecca Zitoun, Wissenschaftlerin am Geomar Helmholtz-Zentrum für Ozeanforschung in Kiel berichtet. Bevor mit dem Tiefseebergbau begonnen werde, sei es wichtig zuerst mögliche Folgen genauer zu untersuchen. "Wir Wissenschaftler brauchen noch Zeit und Geld, um zu untersuchen, welche genauen Auswirkungen der Tiefseebergbau auf die Meeresökosysteme haben wird und welche gesellschaftlichen, kulturellen und wirtschaftlichen Folgeerscheinungen zu erwarten sind", so Zitoun.

Energiewende ja – aber zu welchem Preis?

Bisherige Forschungsergebnisse zeigen, dass diese Schäden enorm sein könnten: Pro 5000 Tonnen abgebauten Manganknollen wird etwa ein Quadratkilometer Meeresboden abgebaut. Das könne zu sogenannten Trübeströmen führen, erklärt Zitoun – einem Strom rasender Wassermengen an Hängen unter Wasser. Der Effekt gleicht einer Lawine, was Meereslebewesen, aber auch den Menschen gefährden könnte: Durch die Verschiebungen im Meer könnten Tsunamis ausgelöst werden. Deutschlands Wirtschaft muss klimaneutral werden. Viele Unternehmen fragen sich, wie der Umstieg auf CO₂-neutrale Technologien gelingen kann. Fest steht: Die Transformation hin zu einer klimaneutralen Wärmeversorgung ist ein wichtiger Schritt auf dem Weg in eine klimaneutrale und energieeffiziente Zukunft. Wie die Energiewende im Wärmesektor gelingen kann.

Mögliche langfristige Folgen des Tiefseebergbaus zeigen auch Studien deutscher Ozeanforscher: 1989 starteten sie ein Langzeitexperiment vor der Küste von Peru, um dort die Auswirkungen auf die Biodiversität am Meeresboden zu erkunden. Dafür pflügten sie in einem etwa elf Quadratkilometer großen Gebiet den Meeresboden um. 2019, also 30 Jahre später, waren die Spuren des Eingriffs immer noch zu sehen. "Das harte Substrat der Knollen bildet den Lebensraum vieler Organismen. Sie zu entfernen, bedeutet, diesen Organismen die Lebensgrundlage zu entziehen", sagt Zitoun. Tiefseebergbau bedeute daher einen massiven Eingriff in das Meeresleben. "Wir müssen jetzt herausfinden, ob der Abbau das Risiko wert ist", so die Wissenschaftlerin. Das Dilemma lässt sich auf eine simple Frage verkürzen: Energiewende ja – aber zu welchem Preis?

Schweizer Firma treibt Tiefseebergbau voran

Firmen wie Global Sea Mineral Resources mit Sitz in [Belgien](#), das englische Unternehmen Seabed Resources oder The Metals Company mit Sitz in Kanada erkunden bereits intensiv, ob und wie Manganknollen kommerziell abgebaut werden können. Sie alle wollen zeitnah mit den Bohrungen unter Wasser starten. Und werben damit, dass der Tiefseebergbau eine grüne Alternative zum Bergbau an Land sein könnte. Anders als dort werden keine Löcher gebohrt oder Schächte ausgehoben, sondern mit Robotern der Meeresboden umgepflügt. Einer der Vorreiter für die speziell dafür angefertigte Maschinen mit Walzen und schneckenförmigen Schrauben ist The Metals Company. Das Unternehmen kam 2021 per SPAC-Börsengang an die amerikanische Tech-Börse Nasdaq. Strategischer Partner und Investor des Unternehmens ist Allseas, ein weltweit führendes Unternehmen im Bereich der Offshore-Technik mit Sitz in der Schweiz. Allseas ist spezialisiert auf die Verlegung von Offshore-Pipelines, den Transport von schweren Gütern und den Bau von Unterseekonstruktionen.

Gemeinsam mit The Metals Company stellte das Unternehmen Ende 2021 das erste, 228 Meter lange Schiff für den Tiefseebergbau vor. Im Hafen Rotterdams befindet sich seit September die "Hidden Gem", ein ehemaliges Bohrschiff, das in das weltweit erste Schiff zur Sammlung von Manganknollen in der Tiefsee umgerüstet wurde. Noch in diesem Jahr sollen mit dem Schiff erste Test-Expeditionen starten. CEO und Chairman von The Metals Company, Gerard Barron (55), ist zuversichtlich, dass die Hidden Gem noch 2022 erste Knollen aus der Tiefe holen könnte. "Wir werden die Förderung von Rohstoffen revolutionieren", [sagte er gegenüber dem Spiegel](#). Die Investoren allerdings haben Zweifel, wie lukrativ das Geschäft wirklich wird – der Aktienkurs ist um mehr als 90 Prozent gefallen.

Mit The Metals Company haben aktuell insgesamt 17 Bergbauunternehmen eine Lizenz für erste Forschungsbohrungen von der Internationalen Meeresbehörde (IMB) im tropischen Nordost-Pazifik erhalten – neben den privaten Firmen versuchen aber auch einige staatliche Firmen pazifischer Inselstaaten wie von den Cook-Inseln oder Nauru, möglichst bald mit der Rohstoffgewinnung im Meer zu beginnen. Im Juni 2021 stellte Nauru bei der IMB den Antrag, die Genehmigung und die Forschungszeit zu beschleunigen. Bisher dürfen sie mit den Lizenzen nur erste Testbohrungen machen, nicht aber bereits mit dem kommerziellen Abbau der Manganknollen beginnen.

BMW spricht sich für Aufschub aus

Es ist ein hochriskantes Geschäft – auch weil völlig unklar ist, wie hoch die Nachfrage nach den umstrittenen Tiefseeschätzen wirklich sein wird. Beispiel BMW: Die massiven Forschungslücken seien bei dem deutschen Autobauer [BMW](#) der Grund gewesen, gemeinsam mit der Umweltschutzorganisation WWF eine globale [Allianz](#) für ein Moratorium des Tiefseebergbaus ins Leben zu rufen. "Wir wollten aus der Industrie ein Zeichen setzen, dass wir Mineralien erst nutzen können, wenn deren Abbau ausreichend erforscht ist und die Folgen für die Umwelt bekannt sind", sagt Claudia Becker, Expertin für nachhaltiges Lieferkettenmanagement bei BMW. 2020 habe Becker mit dem WWF die ersten Gespräche geführt. Die offizielle Unterzeichnung der globalen Allianz für ein Moratorium des Tiefseebergbaus war 2021. Neben BMW unterstützen Konzerne wie [Google](#), Samsung SDI oder Volvo die Allianz.

[Ukraine](#)-Krieg, Pandemiefolgen und Verbrenner-Verbot ab 2035 hätten zwar den Bedarf nach Rohstoffen für Autobatterien verkompliziert und verstärkt, nicht aber die Meinung zu dem Thema verändert. "Unsere Position zum Tiefseebergbau hat sich seither nicht verändert", sagt Becker. Das Unternehmen stehe weiterhin hinter dem geforderten Moratorium. Wie lange BMW den Aufschub unterstützt, hänge von der benötigten Forschungsdauer ab. "Wir würden Rohstoffe aus der Tiefsee erst nutzen, wenn deren nachhaltiger Abbau möglich ist", sagt Becker. Bisher würden die Rohstoffe an Land für den Bau ihrer Batterien ausreichen. Für das begehrte Kobalt habe BMW zwei Lieferanten aus Marokko und Australien beauftragt. Den Anteil für das silbergraue Metall habe das Unternehmen außerdem auf unter zehn Prozent drücken können.

Gewinnversprechen für Entwicklungsländer

Tim Packeiser, Meeresökologe beim WWF, hofft, mit der Unternehmensinitiative von BMW die Entscheidung über einen etwaigen Start von Tiefseebergbauvorhaben weiter aufzuschieben. "Es ist ein wichtiges Zeichen aus der Wirtschaft, sich für mehr Forschungszeit auszusprechen", sagt er. Möglicherweise könne aber auch ein Aufschub nicht ausreichen. "Bisher gibt es keine Anzeichen dafür, dass es einen nachhaltigen Tiefseebergbau geben kann", sagt er. "Die Begriffe Nachhaltigkeit und Tiefseebergbau passen einfach nicht zusammen." Packeiser befürchtet, dass einzelne, am Tiefseebergbau interessierte Staaten zunehmend Druck auf wirtschaftlich schwächere Staaten mit Ozeanzugang ausüben könnten. "Entwicklungsländer könnten diesem Druck nachgeben, weil ihnen die Tiefseebergbauer vermeintlich hohe Gewinne versprechen, wenn sie deren Ozeangebiete für den Abbau nutzen dürfen."

Bristow addresses Porgera landowners

Post-Courier, 22 July 2022

Barrick Gold Corporation president and CEO Mark Bristow was in Porgera yesterday and met with project area landowners, business, church and community representatives. Approximately project-impacted 50 landowners representing areas affected by the Special Mining Lease (SML), Lease for Mining Purpose (LMP), Porgera Landowners Association (PLOA) and Mineral Resources Enga Limited (MRE) were at the meeting. Bristow reaffirmed BNL's commitment to restart the mine ensuring that project-impacted landowners would reap the benefits agreed to in the Porgera Project Commencement Agreement (PPCA). "The Porgera Project Commencement Agreement allows for a wide range of benefits to project-impacted landowners never seen by any other mining project in Papua New Guinea or globally.

The immediate requirement is the signing of the Shareholders Agreement by Mineral Resource Enga, and agreement to the equity split at the Development Forum," Mr Bristow said. At the meeting, PLOA Chairman Mark Tony Ekepa stated that the PLOA stance was to have the 10 per cent protected equity parked in a separate entity established by the SML landowners, and not in MRE. Mr Ekepa added his support for BNL's proposal to have the equity split confirmed at the Development Forum along the lines of – 7.5 per cent SML landowners and 2.5 per cent LMP. Meanwhile, newly elected LMP Association President, Timothy Andambo, stated that the LMP landowners were grateful to have finally been recognized as falling within the impacted group (as defined in the PPCA) that will now hold (2.5 per cent) equity in the project.

"We are appreciative of the recognition granted to the LMP landowners by the SML landowners and BNL and stand ready to participate in the Development Forum." Mr Andambo said. The project-impacted landowner representatives thanked Bristow and the Barrick executive for visiting Porgera at this critical time when Porgera is seeing an unprecedented violence in the community at an unimaginable level. Bristow further expressed his deep disappointment at the security situation on the ground and stated that it was a priority of his to bring the crisis to the attention of the Papua New Guinea government, the immediate urgency being the deployment of security personnel to the Porgera Valley. Mark Bristow will be meeting with Prime Minister James Marape and representative of Mineral Resource Enga Limited today before leaving the country.

Reopening of Porgera catalyst for continued economic growth

Post-Courier, 21 July 2022

The reopening of the Porgera Gold Mine will be a catalyst for post-COVID despite it currently being on hold due to a delayed stakeholder sign off on the Porgera Project Commencement Agreement and Shareholder Agreement. BSP Group CEO Robin Fleming (pictured) in providing his insight in the BSP Pacific Economic and Market Insight Q2, 2022 Report said resumption of production at the Porgera Gold Mine operations later in the year would represent a significant injection into the PNG economy. He said some of the key mining industries await the finalisation of negotiations, projections are looking positive with anticipation of some operations commencing as early as the first half of 2023.

He said that the outcome of the National General Elections and the policy priorities of the emerging government will determine the pace of these processes. "We expect that the re-opening of the Porgera Mine will be a key priority for the government that emerges from the 2022 National General Elections. "Porgera and other resource investments are important as the post COVID economic activity has been led by government spending in infrastructure, and private investment is important

to make the recovery sustainable in the long-term,” Mr Fleming said. “PNG has benefited from high global prices for its major exports in 2022.

Mining exports in particular have seen sustained price increases which positively impact PNG’s gross domestic product (GDP), and present much upside for economic activity and government revenue generation.” He said the recent positive announcements made on large resource projects present some upside in the medium term. “Apart from the reopening of the Porgera gold mine, Wafi-Golpu, Papua LNG and P’nyang LNG are still being progressed. “The delivery of these large projects represents a significant injection into the PNG economy and will ultimately impact growth and government revenue. “Mining-adjacent sectors will also benefit from the uplift in activity with some spill over into retail, wholesale, and accommodation sectors,” Mr Fleming said.

Barrick president, Bristow condemns violence in Porgera Valley

Post-Courier, 21 July 2022

Barrick Gold president and chief executive officer Mark Bristow has strongly condemned the violence happening in the Porgera Valley and Enga Province. Mr Bristow arrived in country yesterday for his quarterly trip and will visit Porgera today. Speaking from Port Moresby yesterday afternoon he expressed deep disappointment at the current conflict in Porgera Valley and elsewhere in Enga that has led to numerous deaths, assaults on Porgera residents, including women and children, the burning of houses, businesses, and the closure of critical government services such as the Paiam Hospital and Porgera Secondary School.

“What we are seeing taking place in Porgera is inhumane and uncalled for. Barrick (Niugini) Limited (BNL) made a commitment to the community, especially for the women and children, to keep Paiam Hospital’s essential services open even after the mine was placed into care and maintenance (C&M) operations, and to see the services closed now due to the tribal conflict and violence related to the elections is deeply saddening. “The conflict is impacting C&M operations and we remain concerned for the safety of our Porgera employees. BNL urges the national and provincial governments to intervene and restore peace to the Porgera Valley,” Mr Bristow said. He will be addressing the Porgera business community and local landowners today.

Bristow: Porgera mine care, maintenance costly

Post-Courier, 21 July 2022

The cost to have Porgera gold mine under care and maintenance now sits at around K1.2 billion. Barrick Gold president and chief executive officer Mark Bristow who is in country for a three-day visit said yesterday that it takes the company K35 million per month for care and maintenance of the mine. The mine has been under care and maintenance (C&M) for three years now awaiting restart. Mr Bristow who arrived in Port Moresby yesterday as part of his regular quarterly visits to all Barrick operations globally said, Porgera Mine is currently into its third year of C&M and restart plans remain on hold, awaiting the completion of the conditions for the mine to reopen, the first of which requires the full execution of the Shareholders Agreement by Mineral Resource Enga Limited (MRE).

“Further delaying the restart of the Porgera Mine denies benefit to every one of the stakeholders including the Porgera community and the Department of Treasury. Care and Maintenance is currently costing K35m a month, which will have to be repaid,” Mr Bristow said. He said Barrick stands ready to finalise all remaining matters to allow the restart of the Porgera Mine for the benefit of all Porgerans, especially the project-impacted landowners, Enga Province, PNG, and BNL share-

holders. Mr Bristow added that BNL continues to maintain regular discussions with the State Negotiation Team and concerned parties, including MRE and the Porgera Landowners Association, with the hope that MRE will sign the Shareholders Agreement at the earliest possible date. Once MRE signs the Shareholders Agreement and other associated agreements, the first step towards restart preparations can commence with incorporation of the new project company, New Porgera Limited and submission of a new SML application to the Mineral Resources Authority.

“The Porgera Project Commencement Agreement (PPCA) provides a one per cent increase to the royalty rate to three per cent and an additional 10 per cent free carry equity to be shared between the Enga province and the wider project-impacted landowners. “This is on top of the 2.5 per cent held by each of the Enga province and the Special Mining Lease landowners through MRE. The PPCA demonstrates that BNL and the national government are committed to providing more tangible benefits for project-impacted landowners and Enga. It is an unprecedented agreement for any project in PNG,” he said. Mr Bristow is expected to meet with the Prime Minister, James Marape and visit Porgera to meet with project area landowners and business, church and community representatives.

People hacked to death in Porgera in under an hour

By MIRIAM ZARRIGA, Post-Courier, 21 July 2022

A BRUTAL massacre in Porgera town yesterday afternoon in which 18 innocent people were killed has rocked Enga province and shocked the nation. Even local police chief acting Superintendent George Kakas was shocked by the act of violence that he was left speechless when told by field operatives of the violence. Last night, Prime Minister James Marape said Porgera is now under an emergency status. “We have called our additional manpower from both the military and police, not just for Porgera but for other areas that need special assistance as well. We will beef up security as election requirements have diluted normal police work and the present killing is related to an ongoing tribal fight.” In his policing career, Mr Kakas has seen worse but yesterday’s act was one he thought was the work of a deranged mob who had no respect for the sanctity of life.

Of the 18 dead, 13 were men and 5 were women who were going about their normal lives when men armed with machetes and axes hacked them to death. It was an hour of wanton destruction in which anyone in the path of the rampaging tribesmen was not spared, Mr Kakas said. Pictures of the dead posted online show a trail of destruction with murderous intent. It seemed none of the dead had any chance of escaping. In one picture, a woman clad in a PNG meri blouse lies next to a young girl, most probably her daughter. In another, a man and his woman lie side by side, having fallen where they were attacked. The woman is on her knees, cowering in a foetal position, most probably having begged for mercy, a futile attempt to evade the inevitable. Men counting the cost, and examining the scene, looking for relative, are shown carrying bush knives and axes.

In the restive Enga, this is normal weaponry. Porgera is the site of the giant gold mine which has been closed for almost two years. A violent tribal fight between the Aiyala and Nomali tribes has been raging, which has severely affected the National General Elections in that part of the region. The 18 deaths brings to 70 the number of people killed in Porgera in the past four months. Although a State of Emergency was declared in Porgera, the fighting between Aiyala and Nomali continues, PPC Kakas said. Security forces are present in Porgera Town. Together with local police, there are about 150 police and army personnel, however they are outnumbered by the tribal warriors, who are heavily armed. “The 13 men and 5 women were killed in Paiam and Upper Porgera on Wednesday afternoon,” he said.

Of the 18, five people were killed in Upper Porgera Station and 13 people killed at Paiam. “Out of the 18 deaths, 3 men from Porgera town area were killed by Kandeps. This killing related to the

ongoing tribal fight at Paiam has now escalated to Pogera Town.” Police Commissioner David Manning last night said the PNGDF contribution of force elements for the task force are in the process of moving into Enga. “There is no SOE declared, 120 soldiers from the 2nd PIR Bravo Company were sent in yesterday afternoon. They are based in Wabag and once all logistics are in place, they will further deploy to the electorates of Porgera, Laiagam, and Kompam and join their RPNGC MS counterparts who are currently on the ground.

Mr Manning said the task force has 60 days to restore the rule of law in the electorates, secure the mine and provide protection for repairs to be done on wilfully damaged bridges — especially on the Wabag Kompam road. “We received reports of continuous killings in Porgera that began over the weekend. Priority deployment is to the Porgera valley, to quell the fighting between the local Porgereans and settlers from other parts of Enga Province. “We have received urgent pleas to also evacuate non-Engans who currently work up there to be escorted to safety. “The 3-meter-wide, 4-5 meter deep trench that was dug across the Surinki stretch of Wabag-Porgera road is still undergoing repairs, however a temporary by pass has been constructed to allow traffic.”

Porgera in chaos

By GYNNIE KERO and REBECCA KUKU, July 21, 2022, The National Main Stories



PORGERA in Enga is in shambles following the killing yesterday of 18 more people, while the district hospital remained closed after its employees fled when their homes were looted and torched. Provincial police commander acting Supt George Kakas said: “It’s unprecedented, barbaric and inhumane. “The tribesmen involved are criminals and opportunists who are now targeting innocent people. “This is a senseless and animalistic behaviour and goes against all the ethical and cultural norms of Engan society.” He said the killings were not election-related. He also said that Porgera was cut off from the rest of Enga by a metre-wide, three-metre deep trench at Sirunki. “Other (road) sections have been blocked by felled trees. It is a ghost town with total blackout and no one working,” he said.

Kakas blamed the increasing criminal activities on the warring tribes in Paiam town and Porgera. According to reports he received from two police mobile squads on the ground, three of those killed were from Porgera. The others were from Kandep also in Enga. Kakas described the fighting as sporadic, with ambushes carried out by the Normali and Aiyale tribesmen. “Now they are targeting innocent men, women and children who they think are allies of their enemies,” he said. “The

(policemen) there are doing everything in their power to contain the fighting but it's (hard to stop) the sporadic and guerilla-type killings and ambushes." Paiam District Hospital acting medical superintendent and surgeon Dr Jerry Hoga said hospital staff fled into the valley after their homes were destroyed and looted. They are seeking refuge in Wabag. The hospital, as of June, had 55 staff and attends to about 2,000 patients a month from Porgera and from as far as Kandep, Laiagam and Paiela. "The hospital is closed for now," he said. "All cases are to be referred elsewhere. "All staff houses have been broken into and looted. Hopefully we will resume service after the elections." The Paiam hospital was closed until 2019 when it resumed operation with the help of the Porgera gold mine operator Barrick Niugini Ltd and the State.



The bodies of some of the people killed in Porgera yesterday. – Picture supplied

Meanwhile, following his arrival in Port Moresby yesterday, Barrick Gold president and chief executive officer Mark Bristow expressed disappointment over the current conflict in Porgera Valley and elsewhere in Enga. (Story on P33) "What we are seeing taking place in Porgera is inhumane and uncalled for," he said. "Barrick (Niugini) Ltd (BNL) made a commitment to the community, especially the women and children, to keep Paiam Hospital's essential services open even after the mine was placed into care and maintenance operations. "And to see the services closed now due to the tribal conflict and violence related to the elections is deeply saddening." The tribal war in Porgera claimed six lives on Tuesday. Kakas said the fighting was not election-related. "It has been ongoing for a couple of years over land ownership," he said. "Last night (Tuesday), six more people were killed, bringing the death toll to nine following the killing of three people, including a woman, last week."

Four clans challenging decision

July 21, 2022, The National

LANDOWNERS of four clans in Angore have filed an application in the National Court challenging a March 30 decision by Petroleum Minister Kerenga Kua on the identification of beneficiary clans. The landowners were from the the four clans of the Petroleum Development Licence Eight (PDL 8). They were represented by Hari John Akipe, chairman of Halepura clan; John Poi, chairman of Tope clan; Hamiya Jula, chairman of Jaluma clan; and, Philip Pokopi, chairman of the Tapu Yalo clan. Lawyer Judy Nandape appeared before Judge Oagile Key Dingake at the Waigani National Court on Tuesday to seek leave to apply for a judicial review of Kua's decision. The PDL 8 clans wanted a review of a decision contained in the Ministerial Determination which was published in the National Gazette on March 30.

This was in relation to the identification of the beneficiary clans in the Papua New Guinea Liquefied Natural Gas (PNG LNG) project impact areas of Angore Wellhead Block 1715 PDL 8, in Tari-Pori, Hela. Petroleum secretary David Manau, Kua and the State were named as defendants. Judge Dingake noted that there was no representation by the State and queried that. "Why do you want to go ahead with hearing when proper service had not been effected?" Judge Dingake said. "You have

a duty as a counsel not to push anything. “You have not complied with service of notice.” The court then ordered the plaintiffs to ensure that the notice of hearing of the leave application was properly filed and served on the State immediately. Judge Dingake also fixed Friday 22 as the date for the matter to return to court for a hearing.

Total’s progress in PNG LNG

Reuters, July 21, 2022 The National Business

PARIS: French company TotalEnergies announced on Wednesday (local time) progress regarding its plans for a liquefied natural gas (LNG) project in Papua New Guinea. TotalEnergies said its Papua LNG joint venture had decided to launch the first phase of front-end engineering and design (Feed) studies for the Papua LNG project’s upstream production facilities. Studies for the downstream liquefaction facilities were also progressing in line with the overall project schedule, with an objective of launching the integrated Feed in the fourth quarter of 2022. The project is targeting a final investment decision (FID) around the end of 2023, and a start-up at the end of 2027, added TotalEnergies.

LOs wants elected leaders to address outstanding issues

July 21, 2022, The National Business

THE Tuguba Hides Association Inc, representing the Hides Petroleum Development Licence One (PDL1) landowners of Hela, want the province’s elected leaders to address outstanding issues in the resource area. Chairman Aluja Jakari said the issues included the:

- REVIEW of the Hides gas to electricity project;
- REVIEW of the gas agreement signed in Kokopo;
- UMBRELLA Benefits Sharing Agreement and respective Licensed-Based Benefits Sharing Agreements (LBBSA) for Hides, Angore, Juha and Pipelines projects, with the assistance of the Department of Petroleum and its stakeholders involved;
- NEW Progera mine agreements with Hides PDL1 landowners especially the Hiwa and Tuguba Tribes;
- COMPLETION of the outstanding Landowners Beneficiaries Identification (LOBID) and clan vetting process with the assistance of the Department of Petroleum and its stakeholders involved;
- OUTSTANDING state commitments for various basics infrastructure projects signed under the Kokopo UBSA, LBBSA and Goroka agreement project; and,
- RELEASING of 27 per cent Kroton Equity for the Entire Upstream landowners.

Jakari congratulated the winners of the four Open seats and the regional seat, saying they would provide services for the people of Hela. “Our new Government with the assistance of our MPs (should) also take into account the outstanding issues in our resources areas,” he said. “We the landowners from Hides gas project through our revived umbrella association will work with stakeholders and development partners and our project area landowners as well.”

Delay will affect benefits: Exec

July 21, 2022, The National Business

CARE and maintenance of the Porgera gold mine in Enga costs K35 million a month, according to Barrick Gold president and chief executive officer Mark Bristow. Bristow, who arrived in the

country yesterday for a three-day visit, said further delays in restarting the mine would affect benefits for stakeholders, including the Porgera community. He is expected to meet Prime Minister James Marape and visit Porgera to meet the landowners and businesses, church leaders and community representatives. The mine is into its third year of care and maintenance while plans to restart it is on hold, awaiting the completion of talks with landowners. The most important is the execution of the shareholders agreement by the Mineral Resource Enga Ltd (MRE).

Bristow said Barrick Niugini Ltd (BNL) was continuing talks with the State Negotiation Team, the MRE and the Porgera Landowners Association. “The Porgera project commencement agreement provides a 1 per cent increase to the royalty rate to 3 per cent and an additional 10 per cent free carry equity to be shared between the Enga and the wider project-impacted landowners. This is on top of the 2.5 per cent held by each of the Enga and the Special Mining Lease landowners through MRE.” He said any further delay in the restart of the mine would deny benefits to the Porgera community and the Department of Treasury. “Care and maintenance is currently costing K35 million a month, which will have to be repaid,” Bristow said. Bristow said Barrick was ready to finalise all remaining matters to allow the restart of the Porgera Mine.

Push for reconciliation around Bougainville's Panguna

Radio New Zealand on 21 July 2022



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

The government in the autonomous Papua New Guinea region of Bougainville wants to ensure landowners at Panguna agree and reconcile before the area is opened to development. There has been an agreement in principle reached by the Bougainville Government and landowners for a re-opening of the Panguna Mine, but the chief secretary Shadrach Himata said the ABG wants to ensure the landowners around the mine are properly reconciled. At the weekend the Bougainville council of churches led a dawn service at the Panguna mine pit and later a Catholic mass were held in the adjacent village of Gwava, to help foster reconciliation.

The Guava reconciliation was being implemented under the Panguna mine dialogue strategy - a homegrown initiative developed by local leaders and endorsed by the Bougainville Executive Council to resolve 63 outstanding cases. Following the reconciliations, President Ishmael Toroama was expected to visit Guava village and the grave of revolutionary leader Francis Ona this week.

Toroama, who was the Bougainville Revolutionary Army's commander, would also formally revoke the BRA's standing orders of 1990 to signify the cessation of all hostilities of the BRA on Bougainville.

Demand for LNG high, says Barker

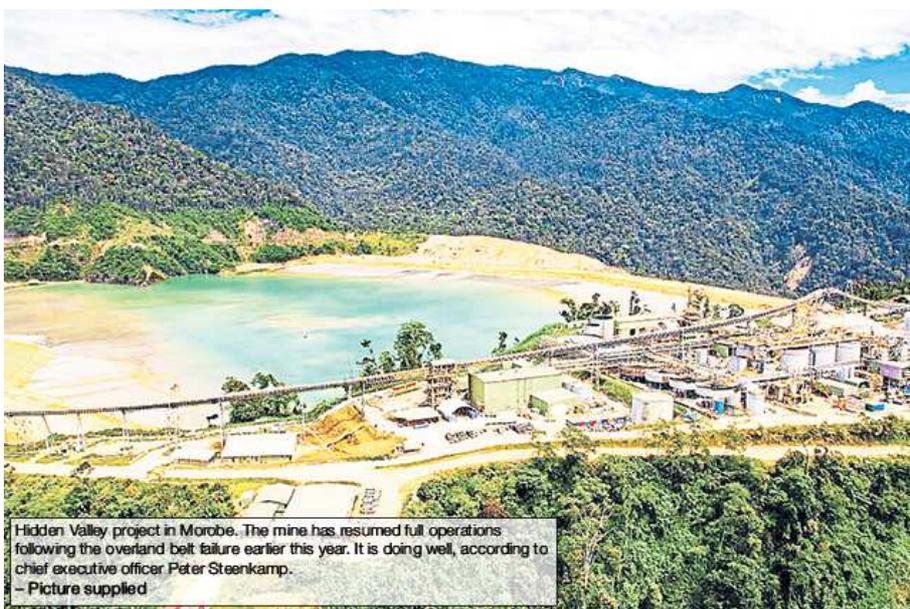
By DALE LUMA, July 20, 2022, The National Business

THE current low economic growth rate in China overall, should not significantly affect Papua New Guinea directly, says Institute of National Affairs (INA) executive director Paul Barker. Barker said it would impact some countries in the region including Australia and those with major tourism industries and investment from China. He said at this stage, the demand for the major products that PNG exports to China were in high global demand, notably the liquefied natural gas (LNG). “The prices for oil is wavering at prices between US\$100 (about K344.52) and US\$120 (about K413.43) per barrel and LNG prices are rising above US\$40 (about K137.81) per Btu (British Thermal Unit) in the face of the energy shortages brought about largely from the ongoing Ukrainian invasion, coinciding with global recovery of demand,” Barker said.

“Markets will adjust over the next months, but without the conclusion of this war, energy prices are unlikely to fall, particularly in the lead up to the northern hemisphere winter. “For many years now, China, with its consistently high economic growth rate and vast market, has been the driving force of the global economy, particularly for raw materials from this region, but increasingly diversifying across other markets. “Since the roll back of the pandemic restrictions across most of the world, the US with its strong economic recovery, has been powering global demand. “Growing inflation rates and particularly the measures to restrain inflation being imposed by Central Banks, notably higher interest rates, may subdue this global growth over the next months, particularly in some countries. “In China, the restraint on the usual strong run of economic growth, is largely self-imposed by the continued stringent lockdowns, shutting down entire major cities

Hidden Valley mine resumes full operation after setback

July 20, 2022, The National Business



THE Hidden Valley mine has resumed full operation following the overland belt failure early this year, chief executive officer Peter Steenkamp says. The project in Morobe, owned by Harmony

Gold Mining Company Ltd, has resumed full production following the incident. Steenkamp highlighted this in the company's financial year report ending June 30. The company has operations in South Africa and PNG. "In Papua New Guinea, our Hidden Valley mine resumed full production after the overland belt failure in January 2022," Steenkamp said. "This strategically important asset performed well in the fourth quarter, with good prospects for the new financial year."

The company is also a partner in the Wafi-Golpu mineral project in Morobe. "We continue to progress the special mining lease for the Tier One copper-gold Wafi-Golpu project," Steenkamp said. "The negotiating team for the Wafi-Golpu joint venture continues to engage with the PNG State negotiating team and we hope to reach an agreement soon." Meanwhile, commenting on the overall company performance throughout the year, Steenkamp said Harmony did well. "Throughout FY22, we faced multiple hurdles," he said. "It was through our phenomenal display of grit and perseverance that we delivered on our strategic pillar of operational excellence and achieved our annual total production guidance of between 1,480,000 and 1,560,000 ounces.

"The solid platform we have built throughout FY22 has placed Harmony in a strong position to deliver operationally, creating further value for all our stakeholders. "Not only did we meet our annual production guidance, but we also took a bold step forward on our de-carbonisation journey. "We finished this financial year on the front foot, confident and with good momentum. "Our brownfield and greenfield pipeline, alongside the renewable energy projects will ensure continued value creation for our shareholders and stakeholders."

Panguna reconciliation

Post-Courier, 19 July 2022

THE Panguna Mine in central Bougainville is often referred to as the heart of the Bougainville Civil War (1988-1997) that resulted in the closure of one of the world's largest copper and gold mines more than 30 years ago. The conflict proved to be one, if not, the darkest periods of modern PNG history with the destruction of billions of kina worth of property, the loss of more than 20,000 lives and the largest singular call out of the PNG Defence Force. While talks on reopening the mine are pending the Autonomous Bougainville Government under President Ishmael Toroama has embarked on ensuring the landowners of the Panguna area come to a mutual agreement on the issue and are properly reconciled. Yesterday morning the first part of the Guava Mass Reconciliation program was concluded success-fully.

The Bougainville Council of Churches led a dawn service at the Panguna Mine pit as early as 4am, attended by the ABG Chief Secretary, Shadrach Himata and a number of department heads. A formal combined Sunday Catholic mass was held in what used to be the former Panguna township, where the Kurabang and Bakoringku clans reconciled. Both clans acknowledged that the indifference and infighting between the Kurabang and Bakoringku clans fueled by the local general opposition to the Rio Tinto operated Bougainville Copper Limited that led to the Bougainville Conflict.

The Guava Mass Reconciliation program is being implemented under the Panguna Mine Dialogue Strategy – a homegrown initiative developed by local leaders and endorsed by the Bougainville executive council to resolve 63 outstanding cases. Component A of this strategy covers a range of processes and activities with the ultimate aim of solving outstanding issues and negotiating the possible reopening of the mine. Following the reconciliations, President Toroama will visit Guava village and the grave of revolutionary leader Francis Ona next week. President Toroama who was the Bougainville Revolutionary Army's Commander will also formally revoke the BRA's standing orders of 1990 to signify the cessation of all hostilities and activity of the BRA on Bougainville.

Porgera mine not affected: MD

July 19, 2022, The National Business

THE violence in Porgera has not affected the multi-billion Porgera gold mine in Enga, says Mineral Resources Authority (MRA) managing director Jerry Garry. Garry yesterday responded to reports of violence and mayhem in Paiam town, Porgera. “The mine site to date – there has not been any issues at all,” he said. “(But) there is still a possibility and the threat is still there.” He said people on social media were misinforming the public that equipment at the mine site were destroyed. “We have received confirmation from site managers on the ground that this is not true, that nothing has been destroyed,” Garry said. He said the MRA had reduced its field work due to the election-related violence.

“MRA has suspended all its field trips simply because of these election-related violence,” he said. “We have taken this precaution to stop all field work except urgent matters (which) would involve a possible threat to shut down operations, or from the landowners or other issues we feel important to attend to. “Other than that all business has been suspended.” Meanwhile, Police Commissioner David Manning said there had been an upsurge in lawlessness in the past 72 hours in parts of Enga. “I have conveyed my concerns to the prime minister (and the) chief of the PNG Defence Force. “We have resolved to establish a multi-task force to enforce the law in Enga immediately and to also secure the Porgera mine.”

Porgera: Girls, woman raped

By REBECCA KUKU, July 18, 2022 The National

THREE girls and a housewife were raped when a group of armed thugs stormed into Porgera’s mining town, setting fire to properties after security personnel left for Wabag to escort ballot boxes there. Families have started leaving Paiam town fearing for their safety, while businesses want an immediate Government intervention. Porgera chamber of commerce and industry president Nick Pakea said the armed men walked into the town soon after security personnel left the Paiam police station for Wabag with the ballot papers. They started setting fire to government properties and houses at around 8pm. “The mayhem and destruction continued until 9am (Saturday),” he said. “On Saturday afternoon, they returned, burning down the Porgera Secondary School classrooms. “Some of the criminals broke into houses, raped three girls hiding in one of the houses. “In another house, a woman was raped in front of her husband. “Then they demanded K500 from the husband for her life.

“Porgera has gone to the dogs. “The Government needs to intervene now. “More funding must be put into sending additional (police and military) manpower with enough resources.” Pakea said the criminals also entered the Porgera mining site and burnt mining equipment. “All public servants including health workers, teachers, bank staff, local policemen and women and their families have started leaving Porgera for their safety,” he said. “Even businesses have closed and many are considering leaving for good. “We appeal not only for the business community but also on behalf of the people to the government to intervene immediately before more lives are lost, more women and girls are harmed and more children are left homeless.” Provincial police commander George Kakas could not be reached for comment yesterday.

Village given green light to mine

July 14, 2022, The National Business

A HARD-to-access village in Northern has been given the green light by the provincial government to begin an alluvial mining operation. Deputy provincial administrator Joseph Mokada hailed the initiative as a step forward in delivering basic services to Kairi village. “The village is in Ioma, Sohe, about 1.5 miles from the town. “(It has less) than 1,500 people,” he said. “It has no roads, schools, or health centres. “ So we want to make it a hotspot for development (through) this mining project which can attract investors to fund development.” Mokada said a road to the village was a priority.

“Villagers have to walk for hours to reach the nearest outstation,” he said. “We hope that the alluvial mining (project will be) a catalyst (for development).” “We endorsed their project (when) they presented their development plans, with investors identified. “We will have compliance meetings and allow them to proceed with the project.” The project has been approved by the Government through its small-medium enterprise programme. “We (also) intend to revive cooperative societies in the province which can help people sustain themselves,” Mokada said. Project leader Ambrose Bovoja said they were drafting a development plan to present to the provincial government. “This is a joint effort by the villagers through negotiations.”

K92 records strong quarter

July 14, 2022, The National Business



THE Kainantu gold mine has recorded a strong second quarter in terms of production according to figures released. K92 Mining Inc said in a statement that performance of its gold mine in Eastern Highlands exceeded mill throughput, with a record 114,471 tonnes of total mill feed mined, an increase of 59 per cent from the same time last year. The company's production results for the quarter were 22,934oz (ounces) of gold, 1,229,961lbs copper and 25,224oz silver. During the second quarter, Kainantu delivered its third consecutive quarter at stage 2 expansion run-rate throughput, processing a record 108,853 tonnes, an increase of 44 per cent from the same period last year.

The company said as an update on the Stage 2A expansion, its new filter press was installed and operational, the additional TC-1000 secondary crusher was installed in late of second quarter and was currently being commissioned, while the new flotation tanks were scheduled to arrive in fourth

quarter of 2022. “The estimated growth capital cost for the plant expansion is US\$2.5 million (about K8.66 million) and was approved last October,” the company said. K92 chief executive officer and director, John Lewins said the second quarter once again marked another major step forward for the Kainantu gold mine.

“Mill throughput and mill feed delivered from the underground mine were both records, increasing nine per cent and 14 per cent quarter-over-quarter and 44 per cent and 59 per cent versus second quarter 2021, respectively,” he said. “Development was also strong, increasing 19 per cent from the previous quarter, and the second highest on record.” “The strong throughput and a higher grade stopping sequence planned for the second half of 2022 bodes well for the operation and we are well positioned to meet our annual production guidance of 115,000oz to 140,000oz AuEq.” He said the mine had exploration plans apart from its production expansion goals. “Exploration is also a major focus for K92,” he said. “There are 10 drill rigs currently operating, focusing on resource growth. “With our financial position the strongest it has ever been by a significant margin, we expect to increase our exploration budget near-term.”

Small-scale mining needed

By PETER ESILA, July 13, 2022, The National Business



THE Government should have a small-scale mining legislation, says Sustainable Alluvial Mining Services (Sams) co-founder Darren Sutton. Sutton said the small-scale mining sector played a role in the economic development of Papua New Guinea over a century. “We have heard and read of early explorers discovering gold in PNG, to gold rush in the Wau/Bulolo gold fields, leading to the birth of the modern mining era.” He said small-scale mining could empower rural communities to diversify into spin-off business and small-medium enterprise activities. Sutton said the sector had more than 100,000 rural miners throughout the country and up to a million people who benefitted indirectly from it. “It will be timely also to have local people participate in the gold refinery agenda the Government has initiated,” he said.

“There is a global movement on improving the small-scale mining industry that benefits almost 30 million people around the world. “Therefore, PNG must be part of the international actions to address this critical sector for our people. “There is evidence of many remote districts that are economically supported by the artisanal and small-scale gold mining sector.” They include Wau/Bulolo, Maprik, Samarai-Murua and Kainantu. “Although there is economic potential in this sector,

many governments have given little attention to the sector in terms of financial and technical assistance,” Sutton said. “On the policy aspect of the sector, no specific legal framework or regulations in place to protect small-scale and grassroots miners, including women and children, from dangers.”

Board reviews interest on gold project after conclusion of study

July 12, 2022, The National Business

THE Kingston Resources Ltd board has begun a strategic review of its interest in the Misima gold project following the conclusion of the project’s definitive feasibility study. According to the company, the review would assess all options to maximise shareholder value of Kingston’s 100 per cent interest in the Misima project. It will be conducted in parallel with ongoing mining licence, plus environmental and social impact assessment work programmes which are expected to be concluded in the September quarter. Kingston has appointed ICA Partners to support the review process. It is a specialist mining adviser with wide-ranging transactional experience gained over many years in many commodities and jurisdictions. Kingston Resources managing director, Andrew Corbett, said:

“The board, in consultation with ICA Partners, looks forward to investigating opportunities to advance the company’s interest in Misima by identifying, evaluating and entering into potential strategic transactions relating to the long-term value opportunity at Misima. “We look forward to working on this exciting review, and we are confident that there are strategic opportunities to advance the Misima gold project, but more importantly to achieve significant value creation for our shareholders.” Misima hosts a JORC (Australasian code for reporting of exploration results, mineral resources and ore reserves) resource of 3.8Moz (million ounces) Au (gold) and an ore reserve of 1.73Moz. Misima was operated as a profitable open pit mine by Placer Pacific between 1989 and 2001, producing over 3.7Moz before it was closed when the gold price was below US\$300 (K1,040.49)/oz. Kingston’s interest in Misima is held through its PNG subsidiary Gallipoli Exploration (PNG) Ltd.

Project expected to begin

July 12, 2022, The National Business



The ore processing plant at St Barbara's Simberi operation in New Ireland.
- Picture supplied.

ST BARBARA is expecting its sulphide expansion project at the Simberi operation in New Ireland to proceed either under its name or a different ownership. Managing director and chief executive

officer Craig Jetson said there had been interest from potential investors. “The company has decided to commence a strategic review of St Barbara’s investment in the Simberi operation and defer the final investment decision in the Sulphide expansion project,” Jetson said. “St Barbara faces capital investments at each of its three operations in the next two years. This strategic review will assess the best allocation of capital for risk and return compared with the company’s other projects. “St Barbara has received unsolicited enquiries from potential investors in Simberi, and anticipates the Sulphide expansion project to proceed either under St Barbara or a different ownership.”

Jetson added that the approval for the Simberi sulphide project had been endorsed and signed by the Minister for Environment and Conservation and Climate Change. The approval is now in the final stage of being issued. “The front end engineering and design (FEED) study has continued while we await the permit, including finalising the mine design for the preferred pit development sequence and seeking to confirm a reliable capital cost estimate in a volatile pricing environment,” he said. “The significant cost inflationary pressures currently being experienced in the global project construction market, together with some project scope changes are resulting in a significant increase in the capital cost estimate relative to that calculated in the feasibility study.”

FSM joins calls to stop deep-sea mining

Radio New Zealand on 11 July 2022

The Federated States of Micronesia is joining a collective of countries calling for a moratorium against deep-sea mining and exploration, and will take the issue to the Pacific Islands Forum leaders meeting. Palau launched the campaign [late last month](#), with Fiji and Samoa joining soon after. FSM president David Panuelo said their representatives would seek more regional support for the campaign at the leadership summit. In a statement, he said this would mean pledges to support and a pause on all deep-seabed mining, new exploitation and new exploration contracts, as well as the adoption of seabed mining regulations against exploitation. The moratorium would pause these activities until rigorous and transparent impact assessments could be conducted.

Court dismisses Porgera mine land ownership challenge

By CLARISSA MOI, July 8, 2022, The National

THE Justice Foundation for Porgera Ltd special reference in the Supreme Court seeking clarification on land ownership of the Porgera gold mine in Enga had been dismissed due to incompetency. Justice Foundation for Porgera Ltd had filed an application challenging the constitutionality of section 212B(1) of the Constitution and section 5 of the Mining Act 1992 which gave exclusive ownership of minerals on customary land to the State. Justice David Cannings on behalf a three-man bench said: “The application is non-compliant with the signing requirements of the rules. “Strict compliance with the rules is necessary.”

The court had allowed Attorney-General, Barrick (Niugini) Ltd, Lihir Gold Ltd and Ok Tedi Mining Ltd to be parties in this proceeding. Ok Tedi Mining Ltd had filed an objection to competency of the application on March 28, on the ground that it did not comply with the signing requirements for a section 18(1) Constitution application. It was supported by the Attorney-General through Solicitor-General Tauvasa Tanuvasa and Barrick (Niugini) Ltd through lawyer Mal Varitimos.

Ok Tedi’s lawyer Ian Molloy argued that because the applicant was a company (Justice Foundation for Porgera Ltd), the application had to be executed under its common seal. “Only when the company seal is affixed to the signature of the person claiming to sign on behalf of the company, can it be said that the application has been signed by the company,” he said. Loani Henao, lawyer for

Justice Foundation for Porgera Ltd, argued that the application had been properly signed for and on behalf of the applicant by the chairman of the board of directors of the company. Henao stressed that there was nothing in the Supreme Court rules that imposed the extra requirements opposed by Ok Tedi Mining Ltd and that the court should refrain from introducing into the rules new requirements.

One deep sea mine could send noise 500km across the ocean – report

Many deep-sea species – about which very little is known – are believed to use sound to navigate and communicate, as scientists call for limits on mining

The Guardian, by Karen McVeigh, Fri 8 Jul 2022



A family of humpback whales in the National Marine Sanctuary off the coast of Maui, Hawaii. Cetaceans are highly sensitive to noise. Photograph: NOAA/Alamy

Noise pollution from proposed deep-sea mining could radiate through the ocean for hundreds of kilometres, scientists predict, creating a “cylinder of sound” from the surface to the sea bed. An analysis by scientists from Oceans Initiative in the US, the National Institute of Advanced Industrial Science and Technology (AIST) in Japan, Curtin University in Australia and the University of Hawaii, [published in the journal Science](#), has found that noise from one mine alone could travel 500km (more than 300 miles) in gentle weather conditions. Seventeen contractors with exploration licences are looking at the possibility of mining the Clarion-Clipperton Zone (CCZ), an area spanning 4.5m sq km between Mexico and Hawaii, which has abundant mineral-rich lumps known as [polymetallic nodules](#).

Scientists estimated the noise impact if each of these mining companies launched one mine in the CCZ. They found that noise levels in a radius of 4-6km from each mine could exceed thresholds set by the US National Marine Fisheries Service, above which there are risks of behavioural impacts on marine mammals. Marine mammal species, known to be sensitive to noise, are found throughout the CCZ, including endangered migratory baleen whales and deep-diving toothed whales. Many deep-sea species – about which very little is known – are believed to use sound and vibrations to navigate, communicate and detect predators in the absence of sunlight. Underwater noise is likely to “disrupt ecosystems”, said the authors of the paper, which was funded by the Pew Charitable Trusts.

“The deep sea houses potentially millions of species that have yet to be identified, and processes there allow life on Earth to exist,” said Travis Washburn, a deep-sea ecologist at AIST. While much work remained to be done on the impact of noise, he said, there was still an opportunity to understand and mitigate them before they occurred. The impact of noise pollution from deep-sea mining

is “understudied and overlooked”, according to the report, whose findings have implications for mining regulations, drawn up by the International Seabed Authority (ISA). The Pacific island of Nauru has said it plans to start deep-sea mining and invoked a UN rule two years ago that could force the ISA to complete the [regulations enabling deep-sea mining](#) by next July. The Science study follows widespread concerns from governments, corporations and environmental organisations that the science and governance of deep-sea mining remains inadequate for prospecting to go ahead.

Moving ahead without rigorous and transparent standards in place “would represent the start of a large-scale, uncontrolled experiment”, said the report. The authors urged the ISA to use the “[pre-cautionary principle](#)” and, in the event of exploitation of the deep ocean, ensure only one or two mines are operating at a time until the impact of noise pollution is fully understood.



A beached whale on Mexico’s Pacific coast. Many marine mammals, known to be sensitive to noise, are found throughout the main mining zone. Photograph: Guillermo Arias/AFP/Getty

Their analysis used noise levels produced by existing industrial processes, such as dredging, oil and gas exploration, as proxies for deep-sea mining. The findings suggest that if all 17 contractors were to operate one mine each, it would cause elevated noise levels over an area spanning 5.5m sq km – far larger than the European Union. Craig Smith, co-author and professor emeritus of oceanography at the University of Hawaii, said: “If our modelling is correct, it could require rethinking of environmental regulations, including the number of mining operations allowed within the Clarion-Clipper-ton Zone.” Companies are currently required to study the areas where mining is proposed and compare them with control areas within their sites where no mining will take place. These are known as “preservation reference areas”. Each contractor has up to 75,000 sq km.

“Our models suggest that nowhere in ... the whole 75,000 km sq is free from noise impact,” said Smith. “It might require changing the regulations, so that the control areas are further away. “We have not been able to do the studies, but if mining operations went on simultaneously, it might have a big impact on a whole bunch of organisms.” The authors, who were unable to find peer-reviewed data on the noise levels of the few deep-sea machines that have been tested, also called for transparency. “We urge contractors to release in a timely manner information on sound-source characteristics of all seabed-mining components,” they wrote in the report. Their findings are likely to underestimate noise levels, the scientists suggest, because the machines they modelled operate in shallower water. They were also likely to have missed acoustic energy generated by heavier deep-sea machines, as well as support vessels’ pumps and other sound sources.

The ISA is tasked with protecting the marine environment from “serious harm” from sea-bed mining. While it has [recommendations](#) for assessing noise impacts, it has yet to define what constitutes

serious harm, including unacceptable noise levels, according to the report. In a statement, the ISA said: “The effective protection of the marine environment is guaranteed through requirements for environmental baseline studies and environmental impact assessments and monitoring, as set out in exploration and future exploitation regulations.” Test mining and testing of mining components require an environmental impact assessment, of which noise measurement is included, it said, adding that testing will provide a “better understanding of the potential impact of noise” on the deep sea bed and deep sea biodiversity.

Group wants more for Kutubu

July 5, 2022, The National Business

A SHAREHOLDER company in the Petroleum Resource Kutubu (PRK) group wants to see more made available to locals in Kutubu, Southern Highlands. Foe Association Incorporated (FAI) chairman Johnny Yawari said they had been using their share of royalties from the oil and gas projects in the Petroleum Development License Area 2 (PDL 2) to invest in infrastructure. “We developed a 15-year development plan to bring services to the people of Foe,” he said. The association paid 10 per cent of the PRK shares. They invested the money in health and infrastructure which are crucial to the people.

“We managed to build two schools – Gesege Primary School and Kei Point Community Primary School to ensure children in the area have access to education,” he said. Yawari said parents no longer had to worry about how their children travelled to school. They also plan to buy a new ambulance for the Inu health centre plus four boats to ferry people living around Lake Kutubu to access health services. “We have other projects incorporated in the development plan,” Yawari said. “But what’s important is to ensure we invest in the health and education.” Yawari said with the support of the Mineral Resources Development Company which managed PRK, they had seen lot of development happening through the association.