

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

**Vol. 10, No. 5, September – October 2018, 59 pages**

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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/>

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**Bakani: Govt to receive revenue from oil, gas**

By CLIFFORD FAIPARIK, The National, October 31, 2018

THE Government will receive some revenue this year from tax generated by the oil and gas sector, Bank PNG Governor Loi Bakani says. “This year there are some changes coming because of the high prices of oil and gas,” he said. “You will have seen that Treasury had put out a media report that the taxes are increasing especially mineral tax. “That’s because of the tax generated by the surplus coming from the high oil prices. Those surpluses are taxable. “That’s why the Government is starting to get tax now. And we will also get foreign exchange. “However it is anticipated that by 2026 when the PNG LNG project debt is fully repaid, there will be increased revenues to the Government that will improve the overall reserves and Balance of Payment position.” Bakani yesterday was addressing the Consultative Implementation and Monitoring Council National Development Forum in Port Moresby.

“Ideally following the start of LNG production and export in 2014, the surplus in the current account increased significantly by 233 percent between 2014 and 2017,” he said. “However mineral exports receipts are held abroad to meet external obligations. And any surplus funds should be re-

patriated to support the domestic foreign exchange market. “So ideally since 2014, we are running a surplus in balance of payment. Ideally this surplus should transform into big inflows of foreign exchanges into the country to pay for taxes and also increase foreign exchanges. “But that did not happen because of the breach of agreement that the Government entered into (during) the LNG negotiations. “So none of this money was coming in – a problem we faced over the last few years. No taxes and of course the shortages in foreign exchange in the market.” He said PNG suffered an economic crisis because there was no big export from the renewable resource sector such as forestry, fisheries and agriculture.

### **Lihir pays K269m in royalties, taxes .**

Post-Courier, October 31, 2018

Lihir Gold mine’s contribution to government and landowners rounded off at K269 million as of the close of its 2018 financial year in June. Newcrest’s gold mine at Lihir makes a substantial contribution to PNG government revenue through payment of taxes, royalties, and expenditure on approved infrastructure projects. For the year ending 30 June 2018 (FY2018), Lihir paid around K88 million in royalties. New Ireland provincial govt, K39m. Lihir paid a further K181 million in taxes to the PNG government, which included K11 million in community infrastructure under the government’s Infrastructure Tax Credit Scheme (ITCS). Operator Newcrest stated that with any large operation like Lihir, significant running costs are incurred, including investments in infrastructure, equipment, labour, maintenance, consumables, flights, accommodation, food, and fuel and energy. “This translates into another significant contribution to the PNG economy: approximately K766 million in payments to PNG suppliers in FY2018.

In 2017, Lihir also used tax credits relating to its ITCS investments to settle its company liability tax bill. Current forecasts indicate that Lihir will again pay corporate tax in coming years, subject to market and operating conditions (including gold prices). “Since August 2010, Newcrest has invested more than US\$3 billion (K7.2 billion) in capital expenditure into Lihir. “These investments are one of the key drivers that have resulted in a real turn-around in Lihir’s operations, returning Lihir to positive free cash flow in FY2014. “In addition to taxes, royalties and infrastructure, Lihir creates economic value for PNG in many ways.” In FY2018, Lihir operations engaged 5000 Papua New Guinean employees and contractors, plus many more jobs created for suppliers and external contractors. Generated significant flow-on benefits for the PNG economy, including K202 million in salaries and wages to Papua New Guineans

### **Managing director defends MRDC’s investment decisions**

By JEFFREY ELAPA, October 31, 2018, The National Business

Mineral Resources Development Company is a successful landowner-fund manager with investment decisions made by boards of subsidiary landowner companies, says managing director Augustine Mano. He said neither the MRDC management nor Prime Minister Peter O’Neill had made any investment decisions. Mano said the MRDC investment process followed a stringent process. The management, he said, took investment proposals and recommendations to an independent investment committee that vetted them and made appropriate recommendations to landowner subsidiary boards that made the decision. “So the Hevilift, Pearl Resort and PNG Air investments went through this process except for the CMSS Casino investment,” Mano said. “In fact, the investment (in the CMSS casino) was made against the management’s advice.

“However, as a responsible manager, MRDC is doing everything thing legally possible to recover that investment.” Mano said all investments by the MRDC Group were done with a long-term view.

He said contrary to rumours, Hevilift was the flagship investment for MRDC. “Over the past 10 years since investment, the revenue has tripled and 40 per cent of that revenue is from outside PNG,” Mano said. “At the time of the investment, there were no overseas operations. “Net assets have tripled and the operating fleet of helicopters and aeroplanes have increased from 26 to 50, with 40 of those aircraft owned by Hevilift. “The Hevilift operations have expanded to Myanmar, Indonesia, and Malaysia and recently to mining charter contracts in Australia. It’s clients include Total, ExxonMobil, Petronas, BHP Billiton to name a few.

### **Industries set to reveal real owners of extractive companies**

October 30, 2018, The National Business

Papua New Guinea is set to reveal real owners of extractive companies. This comes after the conclusion of an Extractive Industries Transparency Initiative (EITI) roadshow on beneficial ownership disclosure in Madang recently. A beneficial owner in respect of a company means the natural person(s) who directly or indirectly owns or controls a corporate entity. A beneficial owner is always the living, breathing human being who ultimately profits from the company’s activities, or controls the company’s activities. It is never a company, other legal entity, or a nominee/proxy. A roadmap is being executed by KPMG – the roadmap implementation manager – to develop a reporting matrix to feature beneficial owners in PNGEITI reports starting 2020, as required by the EITI global standard.

Head of National Secretariat of EITI Lucas Alkan said: “By 2020, companies applying for or holding a participatory interest in an exploration or production of an oil, gas or mining license or contract in an EITI country must report the details of the beneficial owner, (ie the human beings who own, control or substantially benefit from these companies and interests), as well as identifying any ‘politically exposed persons’ with a direct engagement in regulating, setting laws, tax rates, negotiating contracts etc. “More than 50 EITI member countries have published their plans for how to disclose the real owners of companies in their extractive industries, which will require establishing legal and institutional arrangements for application, including establishing registers of such real owners.

“The Madang roadshow was part of implementation of a BO roadmap to identify an appropriate reporting process to enable PNGEITI name beneficial owners in its reports. “We had presentations from Mineral Resources Authority, Department of Petroleum, Bank of Papua New Guinea, Investment Promotion Authority, PNGEITI National Secretariat, Institute of National Affairs and the BO Roadmap Implementation Manager KPMG. “I commend the MSG constituents and other relevant State agencies for their presentations and discussions on issues relating to revealing beneficial owners in EITI reports and the approach going forward. “As required by the EITI global best practice standard – to report the ‘beneficial owners’ in 2020 like other EITI implementing countries – I am positive that PNG will have been fully prepared by then to meet this important reporting requirement.”

### **Upstream pipeline landowners ‘left in the dark’ on benefits**

BY SIMON KESLEP, Post-Courier, October 30, 2018

The Paguale Kekero Resources Landowners Association of Southern Highlands province has raised their concerns regarding benefits of the Liquefied Natural Gas project. Yesterday association general secretary Paul Kewai Ipakasa and chairman Simon Kayako told Post-Courier their people especially 11 major clans including a total population of over two thousand people are left in the dark on LNG project benefits (royalty and equity payment). They were referring to statements by Mineral

Resource Development Company managing director Augustine Mano and published by this paper last week (October 25, page 20) “PNG LNG pipeline landowners to receive benefits-MRDC.” The two raised concerns on issues regarding no agreement signed by them under the Umbrella Benefits Sharing Agreement despite gas pipelines under the Greenfield and future generation’s benefits without guarantee. “Since 2009 till now there were no agreements under Umbrella Benefits Sharing Agreement despite having gas pipeline passing through our land,” said Mr Ipakasa. According to Mr Ipakasa they come under segment 4 and spin-off benefits for their future generations remains uncertain.

The two called upon MRDC to consider their issue and put business agreements in order especially to fully benefit landowners whose land has gas pipelines passing through. In relation to Mr Mano’s comments in the article referred to, he explained that while the pipeline determinations have already been made by the minister in reference to the onshore 300 kilometres of the entire 400 km pipeline, those areas not in dispute are being processed and assisted for the flow of benefits. “There are eight (pipeline) segments which ministerial determination has been made for those areas where there are no disputes.” “These are the ones we are going to proceed with their preparations of opening up their account, appointment of their board and then start making payments,” Mr Mano said in the report. He made comments in a previous interview that for upstream pipeline landowners it has been a huge obstacle and that MRDC was aware of landowner frustration, however, mentioned that the areas that are still in dispute will be overlooked and carry on with the ones that are not in dispute pending their outcomes.

### **Bougainvilleans want Filipino miner out of their ancestral land**

Jarius Bondoc, The Philippine Star, October 29, 2018

A Filipino miner is causing social unrest in the Pacific island of Bougainville, the same way he stirred up Mindanao tribesmen against his mining. Tens of thousands of Bougainville natives are livid that SR Metals Inc., owned by Eric Gutierrez, is to log and consequently extract copper. Central authorities in Papua New Guinea are being asked why an outsider has been allowed into the Panguna forest. Foreign mining in Panguna had triggered a ten-year civil war, 1988-1998, that claimed the lives of 20,000 people. Since then Panguna has been declared a “no-go zone.” Gutierrez’s SRMI up to recently was extracting nickel in the mountains of Tubay, Agusan del Norte. Dispossessed Lumad had opposed his 20 years of supposed small-scale mining that actually exceeded legal limits. It also denuded forests in and beyond its 128-hectare concession.

Three thousand tribe folk and lowlanders had petitioned for SRMI’s closure, to no avail. Their lawyer was assassinated in broad daylight and a protesting priest falsely accused of rape. Violent clashes spread to other mines in other towns over the years, during which 68 tribesmen were killed. SRMI claims to have received exploration rights from Papua president John Momis, a defrocked Catholic priest. Gutierrez’s partner, Calocan Rep. Edgar Erice was reported to have said they are moving all their equipment from Agusan to Bougainville. Supposedly the government in that Papuan territory welcomes them into 183 square kilometers of forest and proven copper mines. Bougainville tribe leader Cletus Miarama disputed them, however. “SR Metals did not have free and informed consent to go into our customary land and explore,” he declared. “They are going into our customary land without our permission. They are even also going into our sacred sites.”

The battle scarred Bougainville natives never surrendered to the superior government forces. Their civil strife ended in stalemate, and can reignite for the same exploitation of Panguna natural resources. SRMI gradually closed down during the first two years of the Duterte administration. At least thrice during the 2016 presidential campaign and five times thereafter President Duterte publicly denounced Gutierrez as a destructive, abusive miner. The BIR presently is investigating SRMI

for unpaid taxes from P28-billion in ore exports to China. In 2008, the Supreme Court found the mine guilty of over-extracting nickel from its yearly 50,000-ton ore limit. Gutierrez had found favor with the Aquino administration as financier of the then-ruling Liberal Party, and Erice as spokesman. President Noynoy Aquino reportedly signed as witness for SRMI to recompense original Tubay mine licensee Rodney Basiana P1 billion, a debt that was never paid. Aquino also twice awarded SRMI for supposed responsible mining.

### **Court refuses to lift restraining order in K52mil case**

October 29, 2018, The National

A COURT has refused to lift an interim restraining order obtained by the Hulia local level government in Hela stopping the payment of more than K52 million to landowners. In the National Court, Judge Allen David on Thursday ruled on an application by the Southern Highlands and Hela provincial governments to lift the order. Justice David said it was in the best interest of justice that the matter be stayed pending further evidence. The money is for levy fees to landowners in Hela and Southern Highlands affected by the Liquefied Natural Gas project. The order was obtained by Hulia LLG president Eric Yawas through lawyer Paul Othas who claimed that the money paid to the two provinces was in breach of the Umbrella Benefit Sharing Agreement (UBSA) under the Oil and Gas Act. The provinces are to receive K26 million each as development levy for all the LLGs affected by the LNG project. Othas said outside court the UBSA was signed in 2009 in Kokopo before Hela became a province of its own. He said the agreement needed to be amended to take into account the fact that Hela had become a province.

### **Blockade at New Caledonia nickel mine over**

Radio New Zealand, 26 October 2018



Photo: RNZ / Johnny Blades

A group of locals opposed to the expansion of mining activity in the area had mounted the blockade amid a call to protect endemic trees. In a statement to local media, SLN said it regrets the conflict wasn't resolved earlier, adding that it shows the need for a better dialogue. It thanked all parties concerned, such as the state, the provincial government, elders and sub-contractors, for a peaceful end to the crisis. It said it is too early to quantify the impact of the blockade. During the blockade, there was further fire damage to the site's conveyor belt which feeds ore to the coast for shipping to

the smelter in Noumea. Earlier this month, police broke up a two-week blockade of another SLN mine, at Tiebaghi, by a group of pro-independence activists.

### **Landowners oppose Lae's coal-fired project**

October 26, 2018, The National Business

Markham Valley biomass landowners from Morobe have resisted the coal-fired project in Lae, spearheaded by Energy Minister Sam Basil and Lae MP John Rosso. They travelled to Port Moresby this week to hold meetings with PNG Power Ltd and Government departments over the delay with the biomass project to which they have committed land. Chairman Sam Meyab, of the Zif Faring Business Group, said yesterday the landowners wanted to show their support for the PNG Biomass project and to confront PPL, Energy Minister Sam Basil and Treasurer Charles Abel over the delay. "The politicians think coal is the answer," he said.

"We landowners of the Markham Valley, people of Papua New Guinea, we do not want coal-fired power or coal mining in our country. "We want a clean, renewable, healthy future for our children. "Coal has no place in PNG. "We want renewable biomass to power our homes, not dirty coal. "We want healthy lives, not a polluting coal-powered plant in Lae. "We want our Government to honour its commitments – to us, to the developer, to the country, to the world." Meyab said the biomass project had all licences and permits, approvals and a signed power-purchasing agreement with PPL. "We know that the biomass project sponsor Oil Search Ltd wants this project to go ahead," he said.

### **PNG LNG pipeline landowners to receive benefits – MRDC**

By KEVIN TEME, Post-Courier, October 25, 2018

IT has been a long wait for landowners of the various sections of the PNG LNG projects for their royalty and equity payment. The recent announcement by the Minister for Mining and Petroleum will see the landowners of the pipeline benefit and will start to receive their royalty and equity payment. Managing director of Mineral Resource Development Company, Augustine Mano revealed this at Boera village, Central Province, on Tuesday after commissioning a new staff duplex donated by landowner company, Gas Resource PNG LNG Plan Limited (GR-PNGLNGPL). Mr Mano said its been a long wait since the first flow of gas in 2014 and now its 2018...so its four years in waiting. But Mr Mano said this is to do with the pipeline which the minister has already made the determination on.

"The pipeline is 400 kilometres on shore, we got 300 kilometres on shore and there are eight segments which ministerial determination has been made for those areas where there are no disputes. "These are the ones we are going to proceed with their preparations of opening up their account, appointment of their board and then start making payments," Mr Mano said. Mr Mano in an earlier interview during the commissioning of the Lealea double classroom building and donation of a fully kitted ambulance for the people of the downstream processing plant area, said for upstream it has been a huge obstacle and they are aware that the landowners are over frustrated. He said this will be only for the pipeline landowners, however, he mentioned that the areas that are still in dispute will be overlooked and carry on with the ones that are not in dispute.

It is believed within those eight segments, MRDC will move into helping out the legitimate landowners and open up their accounts, run their chairman's election, and then once things are finalised, they can start receiving their benefits from the PNG LNG. "Certainly we will conduct elections for those who do not have disputes and then they'll appoint their directors and hopefully we distribute their royalties and equities," he said. Mr Mano didn't specifically mention which landowner group

from the pipeline area will be looked at. But he said as the specific announcement will come from the minister responsible. He, however, said for upstream landowners they were different because there's no clan vetting or identification of landowners as yet. This is especially for PDL 1, 7, 9 and 10.

### **New gas deals showing promise**

October 24, 2018, The National Business

Discussions are continuing between the PNG LNG Project, the P'nyang (PRL3) and Papua LNG (PRL15) joint ventures on the proposed development of three new LNG trains at the PNG LNG plant site, says Oil Search managing director Peter Botten. Two are underwritten by Papua LNG and one by the PNG LNG and P'nyang gas fields, Botton said in a third-quarter report released yesterday. "Formal negotiations are continuing between Papua LNG and PNG LNG on the terms for access to the PNG LNG plant site," Botten said. "The parties continue to mature the technical definition for the developments, explore options for managing Feed studies, advance project financing and progress the remaining agreements required to enable integration of the projects. "Discussions between the P'nyang and Papua LNG joint ventures and the State negotiation team on key terms for the gas agreements also made progress, with the joint ventures providing project and economic information to the State negotiation team.

"We are aiming to have the key terms agreed by the November Apec economic leaders' meeting, subject to progress over the next few weeks." Botten said PNG LNG had entered into two mid-term sale and purchase agreements with PetroChina and BP during the quarter, broadening the customer base for LNG from Papua New Guinea and increasing total contracted volumes to about 7.5 million tonnes per annum (MTPA). Botten said under the PetroChina agreement, the project will supply 0.45MTPA of LNG for three years, while the BP agreement involves the supply of about 0.45 MTPA of LNG for three years and about 0.9MTPA for two years thereafter. Sales under the PetroChina and BP agreements started in July and August, respectively. These agreements are in addition to the 6.6MTPA already committed under long-term contracts to JERA, Osaka Gas, Sinopec and CPC.

ExxonMobil, on behalf of the PNG LNG Project participants, is negotiating the sale of the final mid-term tranche of 0.45MTPA, which is expected to be completed in the near term. He said there are continuous engagement with LNG buyers in key Asian markets, on potential offtake agreements from the company's share of high-heating value LNG from the next phase of LNG development in the country. "There has been significant interest from LNG customers, with formal negotiations with selected parties expected to commence early in 2019," Botten said. He said that during the quarter, the Government, in collaboration with its partners, made significant progress on resolving outstanding issues related to the identification and verification of landowner beneficiaries from the PNG LNG Project. "Of the 15 licences covering PNG LNG Project areas, 13 licences are either receiving or close to receiving benefits, with more than US\$250 million (K838 million) of landowner benefits held in trust pending the completion of landowner identification and verification," Botten said. "Further substantial efforts are being put into ensuring that the remaining licences are progressed to completion. "Oil Search continues to support the Government to ensure a speedy release of these funds to the rightful beneficiaries."

*Letter to the editor*

**The land use change preference is an illusion**

Post-Courier, October 24, 2018

I write in reference to an article which appeared in the Post-Courier's Thursday 18 October, edition, on page 19 titled – "Ok Tedi LOs tap into tourism." What was interesting about this article was that it seemed to falsely depict the illusion that tourism could be pursued as a land-use option especially when that same physical space was previously subjected to mining as a first preference land-use option. Now that mining is over, the landowners could opt to switch to tourism as a replacement land-use activity. I think that this way of thinking is a myth, because mining in the PNG context and as had been our experience, happens at a great cost to the natural environment. We are also aware that the brand of tourists who visit PNG tends to be environmental enthusiasts, keen on enjoying the range of products that nature has on offer, e.g. bird-watching.

As a land-use option, mining in the PNG context had been environmentally-destructive at a cataclysmic scale, therefore it is misleading to depict the notion and wrongly promote the illusion that landowners still have the option of tourism to pursue when industrial-scale mining terminates on their land. For customary landowners who choose mining – they are faced with that dilemma situation of "You can't have your cake and eat it". Once it's gone, it's gone and the damage tends to be irreversible at least within one's own lifetime, thus tourism is no longer an option once mining had taken precedence. I believe that this kind of thinking is a myth and therefore must not be promoted within the Corridors of Power and in government policies in PNG.

Robert Bino, Ph.D, Port Moresby

**Power plant deal delayed**

Post-Courier, October 24, 2018

PNG Power Limited has not signed a power purchase agreement with Mayur Resources Company for the proposed K300 million coal fired power plant in Lae. PPL acting managing director Carolyn Blacklock said any independent power producer (IPP) that supplies PNG Power must negotiate and execute a power purchase agreement (PPA) with PNG Power. Ms Blacklock was responding to questions about the plant that will provide alternate source of power to businesses and residents over time if the project comes into reality. She said the coal project does not have a PPA with PNG Power. Ms Blacklock said additional IPP will not reduce or increase revenue for PNG Power. "It only increases our costs. When we identify the need for additional generation, we will be going to competitive tender to make sure we are getting the lowest cost," she said.

Energy Minister Sam Basil said the coal project will create jobs for people in Morobe and also Gulf where Mayur Resources has black sand mining operations. Mr Basil said the project will ease power constraints. An agreement for the development of the coal fired power plant was signed early this month between the Lae City Authority, Morobe provincial government and Mayur Resources Company. Lae MP John Rosso said it was a decision made to improve Lae's power supply. However, PPL said Lae is on the Ramu grid, which has about 104 megawatt of available power generating capacity. "Maximum load on the Ramu grid is about 85MW. "This is why many of the problems on the Ramu grid and Lae in particular is related to transmission and distribution instability, not generating capacity. "While the Ramu grid and Lae have been stable lately, there is still room for improvement," PPL said.



## **Oil Search reports highest performing quarter since 2014**

Post-Courier, October 23, 2018

Oil Search Limited has reported a strong third quarter result, delivering the company's highest quarterly revenue since the fourth quarter of 2014, and approached the end of 2018 in a robust financial position. During the quarter, the company benefited from higher global oil and gas prices, achieving an average realised oil and condensate price of US\$76.17 per barrel, up 5 per cent on the second quarter, and an average realised LNG and gas price of US\$10.45/mmBtu, 18 per cent higher than in the previous period. This, together with a rebound in production and sales volumes, drove an 81 per cent increase in total revenue to US\$474.9 million. Strong operating cash flows resulted in an improvement in our liquidity position, from US\$1.26 billion at mid-year to US\$1.44 billion at the end of September, confirming the company's sound financial position." Total oil and gas production was 7.5 million barrels of oil equivalents (mmboe), a significant improvement on the previous two quarters and in line with levels achieved before the February 2018 earthquake. This took production for the nine months to 30 September 2018 to 17.8 mmboe.

Oil Search managing director Peter Botten said operated production increased 69 per cent during the quarter, to 0.8 mmboe, largely reflecting the resumption of production from the Moran and Agogo fields and a full quarter of contribution from the other fields. "Production from our operated oil and gas fields is expected to ramp up progressively as remedial work continues and flow lines in remote locations, damaged by the earthquake, are restored, enabling wells to be brought back online," he said. "The PNG LNG Project achieved record production levels following modifications undertaken on the Hides Gas Conditioning Plant and maintenance work on the LNG trains in March while production was shut-in due to the earthquake.

"The project averaged 8.9 MTPA in the third quarter, 9.0 MTPA in September and reached daily rates of 9.2 MTPA, the highest quarterly, monthly and daily annualised production rates achieved since the project came onstream in 2014." Current production is approximately 30 per cent above nameplate capacity and has been achieved with little additional expenditure, delivering significant incremental value to all Project stakeholders. Mr Botten said the production levels are underpinned by the Project's strong reserve position, which was upgraded materially following recertification of the PNG LNG fields in 2016. No significant downtime is scheduled for plant maintenance in the second half of the year. In August, the PNG LNG plant site celebrated five years without a lost time incident, equivalent to 13 million work hours, a highly commendable milestone, reflecting the operator's robust safety culture.

## **Nearly all 15 licence areas to soon get benefits**

Post-Courier, October 23, 2018

Good progress has been made on PNG LNG Project landowner identification. Oil Search managing director Peter Botten gave an update in the company's third quarter report released yesterday. "During the quarter, the PNG government, in collaboration with its partners, made significant progress on resolving outstanding issues related to the identification and verification of landowner beneficiaries from the PNG LNG Project. "Of the 15 licenses covering PNG LNG Project areas, 13 licences are either receiving or close to receiving benefits, with more than US\$250 million (around K800m) of landowner benefits held in trust pending the completion of landowner identification and verification. "On the back of the momentum gained, further substantial efforts are being put into ensuring that the remaining licences are progressed to completion." He said Oil Search continues to support the government, to ensure a speedy release of these funds to the rightful beneficiaries.

## China takes baby steps in the bottom of the Mariana Trench

Asia Times, October 22, 2018



The chubby, fish-like Qianlong-2 submersible is lowered from its mother vessel prior to a dive in the Indian Ocean. Photo- Xinhua.jpg

According to China's oceanic authority, the next step for the country's deep-sea technology is developing and testing a drilling facility named *Shenlong*, plus a mining platform named *Kunlong* and an information-sharing system called *Yunlong*. China is getting closer to exploring the bottom of the ocean after a research mission deep in the Mariana Trench, the largest crack in the Earth's surface that is more than 10 kilometers deep in the Pacific Ocean. China's oceanic research vessel *Tansuo-1* returned to its home port of Sanya in southern China's Hainan province last week, wrapping up a 54-day, 7,292-nautical-mile deep-sea research mission. During the mission a team of 59 researchers remotely piloted and grabbed some close-up looks into the Mariana Trench. Researchers from the Institute of Deep-sea Science and Engineering at the Chinese Academy of Sciences tested deep-sea equipment for geophysics, marine geology, geochemistry and marine biology.



Deep sea exploration vessel the Tansuo-1. Photo: Xinhua

During the expedition, two 7,000-meter-class deep-sea gliders operated continuously for 46 days, making it the only abyss-class glider in the world proven to be able to work continuously for an extended period of time under the sea. A magnesium seawater fuel cell carried out two tests as the world's first new metal seawater fuel cell tested in the 10,000-meter abyss. In addition, researchers

also used a remote-controlled robot to complete high-definition live-streaming 10,000 meters down near the bottom of the trench. Earlier this year, Chinese media reported the development of underwater platforms to be launched after 2020 to take samples on the bottom of the South China Sea, as well as plans to probe the Mariana Trench. The People's Daily has reported that China's most advanced manned submersible, the *Jiaolong*, or "flood dragon" in Mandarin, was undergoing a retrofit at the National Deep Sea Center in the eastern coastal city of Qingdao. Its next dive will be in the deepest part of the South China Sea, a central basin with an average depth of five kilometers. The *Jiaolong* can dive up to seven kilometers deep.

The launch of the *Jiaolong* is a landmark in China's deep-sea exploration as scientists will be able to reach the sea floor for a closer look and complete refined sampling missions. China is also developing a manned submersible that can dive to 11km and withstand the immense pressure with its sea trial scheduled in 2021, to "scour the bottom of the 11,034-meter-deep Mariana Trench," according to the People's Daily. In April last year, the *Jiaolong* finished three dives in the South China Sea. It normally carries three people, a pilot and two scientists. A dive usually starts around 7am and takes 10 hours. The three people inside can only move in a round, cramped space that has a diameter of 1.4 meters, said Gao Xiang, a senior engineer at the center. According to China's oceanic authority, the next step for the country's deep-sea technology is developing and testing a drilling facility named *Shenlong*, plus a mining platform named *Kunlong* and an information-sharing system called *Yunlong*. This equipment is expected to be finalized in 2020 and put into the South China Sea sometime after that.

### **Bird relays concerns about impact of Frieda mine**

By CLIFFORD FAIPARIK, October 22, 2018, The National

East Sepik Governor Allan Bird, pictured, says many communities along the Sepik River have expressed concerns about environmental impacts that will be brought about by the Frieda River mine. Bird said this yesterday in response to reports of a team from the Mineral Resources Authority (MRA) carrying out awareness on the mine along the Sepik River. "Most of the river communities in Ambunti, Wosera-Gawi and Angoram have responded negatively to a team of officers from Mineral Resources Authority who were there to do awareness on the mine," Bird said. "Villagers tend to become suspicious of government officers conducting awareness on a project that will affect their environment.

"They are also suspicious that they will not get economic benefits from such impact projects, although the government officers had portrayed a promising economic and social benefits package to them in the awareness. "MRA officers had been conducting awareness for two weeks amongst villagers along the river about the economic and social benefits from the Frieda mine." The mine is at Telefomin in West Sepik. Meanwhile, the MRA officers said they had encountered some "misunderstandings" while conducting awareness. "We were advised not to conduct awareness in those villages," one of the officers said. "This misunderstanding was created by a non-government organisation that was there earlier on conducting awareness on the mine."

### **Australian company pushing to open Papua New Guinea's first coal-fired power plant**

Yara Murray-Atfield, ABC News, 19 October 2018

An Australian company is pushing ahead with plans to open a coal-fired power plant and coal mine in Papua New Guinea, despite the [recent call from the world's most authoritative climate science body to completely cut greenhouse emissions](#) by 2050.

### Key points:

- Mayur Resources plans to open a power plant and possible coal mine in PNG
- A new power facility is expected in just over two years, the Energy Minister says
- Activists say the move would be counter to PNG's commitments under the Paris accords



PHOTO: A new 60 megawatt power station would have the ability to burn coal as well as use renewable biomass. (ABC News: Peter Giasfis)

Australian-based and PNG-focused Mayur Resources is proposing the establishment of an "Enviro Energy Park" in the industrial hub of Lae in PNG's Morobe province. Mayur has been in talks for the project since at least 2014, but now a new memorandum of agreement (MOA) has been signed between the company, the Lae City Authority, and the Morobe Provincial Government. The MOA details plans for a new 60 megawatt power station, with the ability to burn coal as well as use renewable biomass, solar energy, and by-product heat. Mayur Resources' managing director Paul Mulder told the ABC the company was essentially at the stage of being "construction-ready" for the project, which he said would significantly reduce the energy cost for Papua New Guineans. On Tuesday, Mayur released a statement to the Australian Stock Exchange detailing further non-binding plans to work with coal exporter Square at a coal mine in another province, touting the "low-ash, low-sulphur coal" found at Gulf Province's Depot Creek. If the projects are built, they would mark the first coal-fired power plant and coal mine in the country.

### Coal generates mixed reaction

The project has attracted high-profile supporters, including Energy Minister Sam Basil who did not respond to an ABC request for comment, but said in a Mayur press release that "we can expect a new power facility in just over two years from now". "Whilst there are always those that will criticise, I take this opportunity to outline that Australia enjoys its first world developed lifestyle with 70 per cent of its total energy coming from coal," Mr Basil said in the release, adding that this project would only be a much smaller fraction of PNG's total energy. PNG is a signatory to the Paris Agreement and, like Australia, recently signed the [Pacific Islands Forum's Boe Declaration](#), which says climate change "remains the single greatest threat to the livelihood, security, and wellbeing of the peoples of the Pacific". An assessment from PNG's Conservation and Environment Protection Agency has given its endorsement to the plan, but it still faces community backlash. "Our neighbours are really facing an existential crisis from sea level rise," Christian Lohberger, head of anti-coal activist group Nogat Coal, told the ABC. "So we think it's irresponsible for Papua New Guinea to invest in coal, especially because there are many, many alternatives in Papua New Guinea for energy generation," added Mr Lohberger, who also works for the Astra Solar company in PNG.

In 2016, World Bank data suggested only 23 per cent of the population had access to electricity, and even larger, electrified cities like the capital Port Moresby and Lae experience severe and frequent power outages. Mr Mulder of Mayur Resources said PNG was an "energy-starved nation" and that the proposal "reduces the emissions footprint of what is currently the state of play in Papua New Guinea." Most prominent businesses in Lae use diesel-powered generators, which can produce carbon dioxide and other particulate emissions, and are known to reduce air quality.

"We've got the emission thing, but by the same token, if you lived in Lae, you would understand," Lae MP John Rosso told the ABC. "We have huge power fluctuations and we [sometimes] go a week without power. "Our factories are suffering, our consumers are suffering, and I had to make that call, because we can't keep sitting in the dark and letting our kids sit in the dark." The plan does have some resistance within government circles, with the Minister for Lands and Asia-Pacific Economic Cooperation (APEC) Justin Tkatchenko telling the ABC "for me personally ... I am against coal fire, 100 per cent".

### **Final hurdle is 'unsolicited' power agreement**

The recent MOA is not an official contract, but Mayur said it had completed a feasibility study, selected a site, secured environmental approval, and received bids for the construction of the facility. The plan also details a commitment to fully fund a research institute at the University of Technology, and provide \$130,000 per year for 25 years to a local charity. The sticking point for the project is now getting national provider PNG Power to sign a Power Purchasing Agreement (PPA) before energy could be sold to the country's grid. PNG Power's acting managing director Carolyn Blacklock said they had received four "unsolicited" PPA proposals from Mayur over several years, without a public tender process, and that it was unlikely a deal would be signed without a competitive bidding process.

But Mr Mulder said the company received a written request for a PPA and was provided with PNG Power documentation to submit, which they did in March 2016. The ABC has sighted a letter that appears to be from then-director of strategic planning and business development Chris Bais dated October 2015, which "welcomes" Mayur to submit a PPA proposal. Ms Blacklock took on the acting managing director job earlier this year following a reshuffle of the company's board and has overseen a massive restructure of the company. She said regardless of what correspondence the company had engaged in to date, PNG Power had no obligation to accept any PPA proposal.

"In PNG we have very high costs over power, in part driven because what has been done at PNG Power: uncompetitive processes that have led to uncompetitive prices that leads to uncompetitive tariffs for our consumers," Ms Blacklock told the ABC. Meanwhile Energy Minister Sam Basil was quoted in the press release as saying "there is no cheaper alternative ready to be built" and that it was time for PNG Power to "act swiftly" to finalise the agreement. "It doesn't mean just because there's pressure applied, that the PNG Power board or myself or management are going to be swayed," Ms Blacklock said. A month ago, Mayur resources was floated on the Australian Stock Exchange and raised \$15.5 million in an over-subscribed initial public offering — money they say will go towards developing further projects in PNG.

### **Hidden Valley pays millions in taxes and royalties**

October 18, 2018, The National Business

HIDDEN Valley mine in Bulolo, Morobe, has so far paid K421 million in taxes and royalties while contributing K591 million into the regional economy. Harmony South East Asia operations chief executive Johannes van Heerden and operation executive manager Charles Devillie revealed this

during a Lae Chamber of Commerce and Industry breakfast on Oct 9. A total of K111 million in royalties was paid to:

- Landowner groups, K41.7 million;
- Local communities, K5 million;
- Local level governments, K22.2 million;
- Bulolo district treasury, K12.8 million;
- Morobe provincial government, K27.3 million; and
- Future Generation Trust (FGT), K2.2 million.

The K591 million direct benefit streams included:

- Total employee salary (excluding tax), K73 million;
- Salary and wage tax, K35 million;
- Royalties and production levy, K24 million;
- Total procurement (excluding PNG Power Ltd), K404 million; and
- Power purchased from PNG Power Ltd, K55 million.

Harmony has achieved excellence in safety standards, local employment and landowner income, education, health and gender programmes. On average, it converts US\$187 million (K627mil) of foreign exchange a year into kina for the benefit of national economy.

The total direct employees is between about 1320 managed in tier comprising:

- Non-citizens, 4 per cent,;
- Nakuwi landowners and Bulolo district, 17 per cent respectively;
- Morobe province, 12 per cent; and
- Rest of PNG, 42 per cent.

Van Heerden said 72 per cent of Harmony's permanent workforce was based in Morobe.

## **Work at Frieda gold mine resumes**

October 18, 2018, The National

WORK on the Frieda Gold mine project at the border of East Sepik and West Sepik has resumed after a reconciliation ceremony was held to stop a fight, police say. Wewak Police station commander Inspector James Baugen said the fight was between the Paupi villagers in the Ambunti district and staff of a company. It halted work on the project for a month. "The villagers had fought with company officers over some differences that arose," he said. Baugen said he was present with the East Sepik provincial administrator Dr Clement Malau, West Sepik Governor Tony Wouwou, officials from the West Sepik administration and Mineral Resources Authority.

"A pig was killed during the reconciliation ceremony last week and there was also a signing of a peace agreement between the parties with both provincial governments." Wouwou confirmed signing the peace agreement. The project is at the border of the districts of Ambunti in East Sepik and Telefomin in West Sepik. Meanwhile, MRA officers who were raising awareness along the Sepik River denied a report from provincial police commander Superintendent Robert Gesa that there was a fight between Korogu and Timbunke villagers. MRA officers said it was not Timbunke but Torembi village. Timbunke is in the Angoram district and is not anywhere near the two disputing villages.

## **Hilton Hotel first phase opens**

BY MIRIAM ZARRIGA, Post-Courier, October 16, 2018

The undivided support of the shareholders to ensure that the multi-million kina Hilton Hotel in Port Moresby is open in time for APEC has been praised by Mineral Resources Development Company (MRDC) managing director Augustine Mano. Mr Mano, at a special gala event on Friday evening,



praised the shareholders for their undivided support for the project, with MRDC resolved to not take failure as an option because of its faith in the potential of the country. The evening was special for all landowners in the MRDC Group, and according to Mr Mano, it was a night to celebrate triumph over great adversary. “Risk becoming the risk takers, dreams becomes a reality and above all, true partnership between the state and landowners in the spirit of entrepreneurship ultimately contributing towards nation building,” Mr Mano said.

The Star Mountain Plaza is a multi-stage development and the first phase consists of a 16-storey Hilton Hotel with 212 rooms, 46 suites, 2 penthouses, executive club floor, three world class restaurants and also includes two four-storey buildings including the Kutubu Convention Centre and the 441 car park building. “The construction took three years to complete and saw the employment of 1000 people including 600 nationals who were employed with skills transferrable during the construction phase.” Prime Minister Peter O’Neill said this project was a true testament of public-private partnership. The Prime Minister stressed it is a landowner investment in its own right, investing in their future and for their children to come. “Oil and gas play a vital part in our economy and we should continue to grow and develop in infrastructures and by investing in tourism and other sectors like agriculture,” O’Neill said. “Hilton Hotel and the Star Mountain Plaza will be seen as a national pride, it shows that we can do it and achieve results.”

### **Wafi-Golpu project to lift economic growth, says O’Neill**

BY BENNY GETENG, Post-Courier, October 16, 2018

The Wafi-Golpu project in Morobe province and Papua LNG in Gulf province will help PNG experience a 3 per cent economic growth when productions begin, said Prime Minister Peter O’Neill. Mr O’Neill said the two projects, when they start producing will boost the economy of the country at a sustainable rate. “PNG will experience a medium growth of 3 percent. 3 percent is a sustainable growth for a country. “The Wafi – Golpu mine will be the basis to deliver infrastructure to the province,” he said. Mr O’Neill said with the Papua LNG Project there is good progress to deliver the project and the negotiation team is at fiscal terms of project signing and closing to pass concessions. He said the economy is looking bright at a good economic projection of 2- 3 per cent growth. He also said there will be no fly in fly out for employees of Wafi -Golpu.

Mr O’Neill made this statement last week during the swearing in of the Lae City Authority interim board following a recent strong stance by Morobe parliamentarians who have made it clear they do not want the practice of fly in fly out in the Wafi – Goplu project. Mr O’Neill said the country will not repeat the same mistakes of the billion dollar LNG Project deal in Hela Province to the new projects and the leaders have now learnt from their mistakes. “We built an international airport in Hela and that airport is only used once every month,” he said. He said these are some instances of missed opportunities that the Government will try to avoid in the upcoming mining projects of the country. The Prime Minister said the new Wafi – Golpu mine is a bankable project for the country to embrace. The construction phase of the Wafi – Golpu is valued at K5 billion and is set to be one of the biggest revenue earners for Morobe province when gold production starts.

### **Tourism eyed as mine backup**

By PETER ESILA, October 15, 2018, The National Business

LANDOWNERS of the Ok Tedi mine area in Western want to venture into tourism as a backup for when the mine closes. A memorandum of understanding was signed between the Landowners’ Royalty Trust and Tourism Promotion Authority (TPA) in Port Moresby on Friday for this community-based project. “I need tourism development,” chief landowner and president of Star Mountains

local-level government Borok Pitalok said. “It is a fall-back for my people. “More good things will happen because the mine will one day come to an end.” Royalty Trust chief executive Aubrey DeSouza, when signing the agreement with Tourism Promotion Authority chief executive Jerry Agus, said there was huge potential for tourism in the Star Mountains. The agreement will look at developing bird watching as a first project.

“We have got other investments in commercial, residential property, hotels, stocks and shares but what we are really excited about is that this is a project which is community based,” DeSouza said. “Royalty Trust has 10 mine villages around Ok Tedi and about 5000 beneficiaries. “Every year we inform them about the various investments for after-mine life to sustain them for the rest of their lives. “We expect the project to grow and give them sustainable employment and other opportunities with technical expertise of TPA.” Agus said this was the first time for a landowner company to partner with a government agency to support local people in the community. “Most of the time you do not see landowner companies, especially from mining and petroleum-producing areas trying to partner with sectors in tourism and agriculture,” he said. “You do not have to have huge capital investments to go into tourism. “It is something that we live with every day, just like agriculture. “What we will do is to market and promote tourism products in Ok Tedi and Tabubil areas.”

### **Landowners’ involvement in Hilton Hotel praised**

By PETER ESILA, October 15, 2018, The National



PRIME Minister Peter O'Neill says the Hilton Hotel and Star Mountain Plaza project in Port Moresby is a testament of public-private partnership and resource landowner investments contributing to nation building. He was speaking at the opening of the 212-room, five-star Hilton Hotel and 3900-square-metre Kutubu Convention Centre on Friday. This is the first stage of the Star Mountain Plaza project. The gala event saw landowners, ministers, MPs, diplomats and other guests come together. “This is a landowner investment in its own right,” O'Neill said. “They are investing for the future of their children. It is a testament to the goals that Mineral Resources Development Company is trying to achieve for our landowners. “Trustee company MRDC is worth over K6 billion in assets.” O'Neill said while oil and gas continued to play a major role in economic growth and development, “broadening the economy by investing in tourism, agriculture and people is the right step in nation building”.



MRDC managing director Augustine Mano said that over the past 30 years, Ok Tedi mine and Kutubu oil project had been the backbone of Papua New Guinea's economy. "Both projects have paid billions in dividends, royalties, compensation, government grants to landowners and provincial governments," he said. "Yet there is very little to show from the massive wealth extraction from the land, except hopelessness and missed opportunities. The Star Mountain Plaza project is a beacon of hope and rejuvenation of that lost time. "It is a symbol of national pride. It shows what we can do and achieve if landowners spend less time fighting among themselves and look beyond their tribal differences and think big."

## **PNG earthquakes raise concerns over seabed mining project**

Radio New Zealand, 15 October 2018



Seabed mining machinery Photo: Mike Smith

A campaigner against deep sea mining says recent earthquakes in Papua New Guinea's Islands region mean a proposed mining project is a disaster waiting to happen. On Thursday last week, a [magnitude 7.0 quake struck off the south coast of New Britain island](#), the second major quake in the area this year. Meanwhile, Canadian company Nautilus Minerals is pushing ahead with its Solwara 1 project, which will dredge the seafloor between the islands of New Ireland and New Britain. Helen Rosenbaum from the Deep Sea Mining Campaign said the seismic activity only makes the project more of a threat to PNG. "It's a disaster waiting to happen. It could be an explosion of plumes at different levels, of sediment at different levels in the water columns from a broken ... pipe. "And goodness knows how far they will travel at that point and where they might end up in the food chain and what organisms will be smothered."

## **Harmony Gold breaks record high in 2018**

BY BENNY GETENG – LAE BUSINESS, Post-Courier, October 12, 2018

HARMONY Gold, the operator of Hidden Valley Mine in Wau-Bulolo District has recorded a significant increase in gold production for the 2018 fiscal year. In the four quarters of 2018, the company saw a steady increase in gold production output. The company reported an annual tonnes mined record of 28 million, which was 6 million tonnes higher than the previous record. The overland conveyor delivered 324,403 tonnes during June 2018 which meant a sharp increase of gold production as well. The information was released this week during the Harmony Gold Informative breakfast hosted by Lae Chamber of Commerce and attended by the Lae business community and

several MPs on Tuesday. The presentation was done in the presence of Bulolo MP Sam Basil in whose electorate Hidden Valley Mine operates and contributes K591 million to the regional economy. Direct benefit streams (average annualised):

- Total employee salaries (excluding tax) K73 million;
- Salary and wage tax K35 million;
- Royalties and production levy K24 million;
- Total Procurement (excluding PNG Power) K404 million; and
- Power purchased from PNG Power (PNG) K55 million
- Total annual average contribution of K591 million.

Hidden Valley Mine on average converts US\$187 million of foreign exchange per year into kina to the benefit of the national economy with on schedule commercial levels of production achieved in the June 2018 with fatality free or no lost time injuries in Fiscal Year 2018. Harmony Gold has also paid K421 Million in royalties and taxes and has been active in PNG for over 15 years, during which time they have developed one mine (Hidden Valley). The company is seeking to develop a second (Wafi-Golpu) mine to have a significant portfolio of assets in PNG. This is to cover the whole mining value chain, from an operating mine in Hidden Valley to an exciting green fields exploration prospect (Kili Teke).

### **Travel ban on Australian miner**

Post-Courier, October 12, 2018

AN official travel ban has been placed on Australian miner RTG Mining's executives and board members from entering PNG, especially Bougainville. The PNG Immigration and Citizenship Authority issued the ban on October 3 following concerns expressed over stet activities in the troubled Panguna mine area raised by the Autonomous Bougainville Government. This is the latest move in a spate of ongoing internal controversies which landowner factions there are involved with some supporting RTG and others Bougainville Copper Limited. The ABG's stance however is rooted over what it claimed was RTG's defiance of the Bougainville Mining Act having bypassed it and operating in the Panguna area under the blessings of the elusive rival group Mekamui. Official documents show the matter boiled over when a September 6 session of the Bougainville House of Representatives was delayed for hours when RTG counter-invited some of its members to attend a power point presentation in its plans for Panguna.

The House could not sit for lack of quorum because some of its members attended the presentation at the nearby Kuri Lodge on Buka Island. The next day President John Momis in an official address to the House condemned the actions of RTG saying it was blatant disrespect of the Bougainville people and the peace process. He told the House both BCL and RTG were fighting for control of Panguna "thus creating instability and putting at risk the peace that all Bougainvilleans have worked hard to achieve in the last 18 years". Mr Momis said RTG was only a mineral exploration minnow and according to ABG's due diligence the company did not own any mines and was facing litigation in the Australian and the Philippines legal jurisdictions.

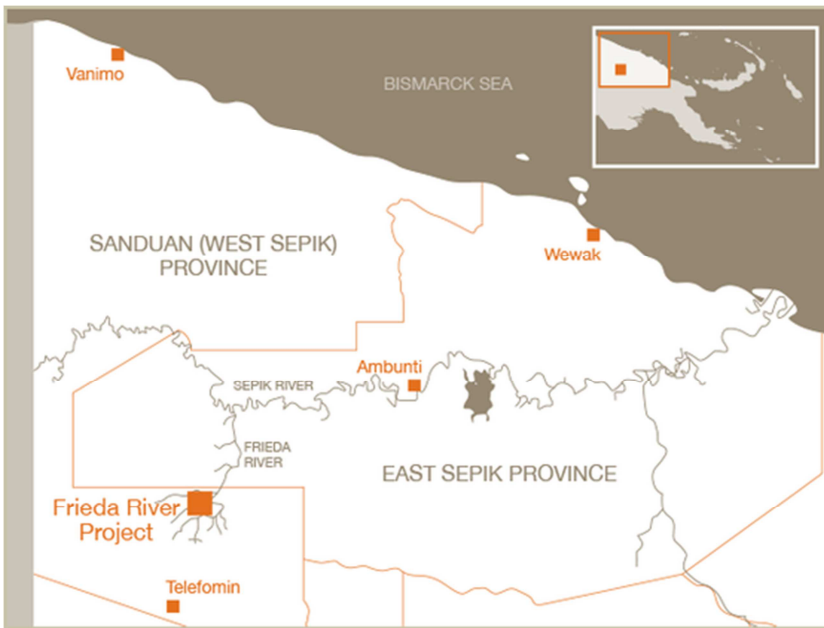
### **Frieda River: Villagers fight over land**

By CLIFFORD FAIPARIK, October 11, 2018, The National

Fighting has broken out between villagers in East Sepik over customary boundaries to claim benefits from Frieda River mine, says provincial police commander Robert Gesa. He said villagers from Timbunke and Korogu along the Sepik River fought with high-powered guns after arguing over customary land boundaries when learning that a team from Mineral Resources Authority was con-

ducting awareness about the mine. Gesa said a police taskforce has been deployed from Wewak was deployed to monitor the fight. “The fight broke out after MRA officers had conducted awareness along the river communities from Ambunti district down the river to Murik Lakes at the river’s delta,” he said.

“From reports that I had received, fighting between Korogu and Timbunke villages was over the boundaries of their customary land. “Disputes must have risen over the discussion of the registration of incorporated land groups on customary land. “Awareness was such that there are benefits of having registered ILGs in order to benefit from spin-off business activities from the Frieda mine when it comes into operations. “Disputes had risen over the demarcation of customary land when the villagers were using global positioning systems (GPS) to plot out their customary boundaries.



The Frieda River project is 70kms south of the Sepik River on the border of the Sanduan and East Sepik Provinces of Papua New Guinea some 500kms upriver from the coast.

“I think arguments must have broken out over the GPS readings and the traditional knowledge of the land boundaries. “The taskforce is still there and I have yet to get an updated report from them, but from initial report there have been no casualties.” The mine is at Telefomin in West Sepik and borders Ambunti. In a separate incident, Gesa said a man was dragged to death after his shirt got trapped in a school truck’s door last Friday at Hawain in Wewak. He said the victim got into an argument with a couple in a vehicle, and amidst this, his shirt got caught in the door of the vehicle which dragged him to his death. “Police are now investigating this incident,” Gesa said.

### **Simberi Mine earns owners ‘debt-free’ status**

Post-Courier, October 11, 2018

Peak performance at the medium-sized gold mine on Simberi Island in New Ireland Province and Australia has elevated its owner St Barbara to “debt-free” status and an extra AUD\$84 million added to its balance sheet for 2017 year to June this year. In addition it is planning to increase exploration costs to between A\$8-10 million under joint venture arrangements for nearby Simberi Islands in 2019. Publisher PNG Report in its September-October edition revealed record gold production added the \$84 million from an output of nearly 120,000 ounces taking the annual total to 400,000 oz mark for the first time in St Barbara’s history. It said now debt-free St Barbara has at hand cash

totaling \$344 million with costs and guidance for the year ahead to be given later this month when the company releases its statutory quarterly report.

PNG Report said details to date show the June quarter output totaled 119,486oz from Gwalia in Western Australia contributing 84,537oz and Simberi in PNG 34,899oz. It said this took its 12-month output to 268,428oz and 134,661oz respectively, both comfortably above previous forecasts. Managing director Bob Vassie praised his teams at both mines which he said had largely remained unchanged from four and a half years ago. He said St Barbara had worked hard to turn around Simberi and the technically challenging Gwalia. The \$8-10 million exploration budget for Simberi is part of St Barbara's total earmarked \$21-27 million for 2019.

### **Fiji govt needs to ensure people understand environmental impacts of mining**

Radio New Zealand, 10 October 2018



Peter Loy Chong. Photo: Pacific Theological College

"The majority of the people are not aware of the full consequences of mining, logging, stone extraction, black sand mining and how these will impoverish their food bank," he said. Fiji govt needs to walk the talk – archbishop

The Fiji government should ensure environmental policies at home reflect the climate messages it promotes abroad, Fiji's Catholic archbishop says. Prime Minister Frank Bainimarama has been championing the fight against global warming as president of the current UN climate round, the COP23. But the archbishop, Peter Loy Chong, said the government's policies needed to be consistent with the proposals it touted during COP23. Current government policy did too little to protect landowners, the archbishop said. The government needed to ensure landowners fully understood environmental impacts when negotiating contracts for activities like mining. "The majority of the people are not aware of the full consequences of mining, logging, stone extraction, black sand mining and how these will impoverish their food bank," he said. "It will have an implication on the shores on which they rely for food."

## NZ groups opposed to seabed mining plan prepare to go back to court

Catherine Groenestein, Stuff NZ, October 9 2018



Debbie Ngarewa-Packer has been leading the fight against seabed mining. SIMON O'CONNOR/STUFF

Opponents of a plan to mine ironsand off the Taranaki coast are hoping the Court of Appeal will set a precedent to discourage other companies with similar aspirations. Kiwis Against Seabed Mining (KASM), Greenpeace, Te Runanga o Ngati Ruanui Trust, Te Kaahui o Rauru, Te Ohu Kai-moana (the Maori Fisheries Trust) and the Taranaki-Whanganui Conservation Board have all sought leave to cross-appeal on the High Court judgment that quashed Trans-Tasman Resources Ltd's (TTRL) consent to mine the South Taranaki Bight seabed for ironsand. The court ruled that the Environmental Protection Agency's decision to grant it a consent was unlawful. Two weeks ago, TTRL sought leave to take its case to the Court of Appeal. "There were a number of points we raised that the High Court decision did not uphold, and the Trans-Tasman Resources' appeal has given us the opportunity to challenge those decisions," KASM chairperson Cindy Baxter said. "This is obviously a precedent-setting case, it's the first application for consent, and it's important to have this precedent as strong as possible."

She said there were other companies interested in seabed mining along the country's West Coast. In May, Offshore Ironsands Mining Ltd was granted permission for mining exploration inside a marine sanctuary set up to protect the endangered Māui's dolphins off the coast of New Plymouth. "Our cross-appeal is a logical step to take in this precedent-setting decision, as there are other seabed mining companies waiting in the wings. There are enough pressures on our oceans already without having to deal with the impacts of seabed mining," Emily Hunter of Greenpeace said. Te Runanga o Ngati Ruanui Trust is cross appealing on points including its mana whenua interest and rights and the EPA's failure to take the cautionary approach required by the Act.

"We want to make sure that anyone else that comes in has to reach this extremely high benchmark, they're not able to just bowl in without doing the research they're required to do," Kaiarataki Debbie Ngarewa-Packer said. The iwi was disappointed the Labour Government had not included the mining programme in its move towards stopping oil and gas prospecting. "We're putting a lot of effort into fighting this sunset industry with absolutely shocking environmental practices, when we should be focusing on developing a progressive economy and energy sector we can all be proud of." Te Kaahui o Rauru and Te Ohu Kai-moana (the Maori Fisheries Trust) have jointly lodged a cross appeal. Kaiwhakahaere (CEO) Anne-Marie Broughton said the process had been exhausting and expensive, but Te Kaahui o Rauru likened the protection of the sea to the protection of the marae.



"The ocean is a fragile and largely unknown ecosystem and the problem is that if we damage it, we don't know how to fix it up again. We must stand up for our environment. There are other ways to grow a healthy and sustainable economy – seabed mining is not the answer." The Taranaki-Whanganui Conservation Board has also resolved to defend the High Court's decision, as well as to seek leave to cross-appeal in order to have the High Court's decision confirmed on other grounds. "It's disappointing that we have to continue to fight to protect our environment," chairperson Brendon Te Tiwha Puketapu said. A spokesperson from the Court of Appeal said Forest and Bird and the Fisheries Interests had also filed cross appeals. No date had yet been set for a hearing.

### **Tuanda clan in Porgera say they do not recognise Kuanda ILG**

*Members of the Tuanda clan from the Porgera special purpose mine lease area claim that they do not recognise the Kuanda Incorporated Land Group.*

Post-Courier, October 9, 2018

Members of the Tuanda clan from the Porgera special purpose mine lease area claim that they do not recognise the Kuanda Incorporated Land Group. The landowners said the Tuanda clan is made up of two sub-clans and they are Ulupa and Yapala. They said the Post-Courier paid advertisement by Sol Taro regarding Tuanda Incorporated Land Group is a one-man group and does not represent their clan and called on the authorities, the state, MRA, Barrick Niugini Limited and other parties that the organisation is not a mouth piece of the landowners. They said there is no provision in the 1992 Mining Act that provides for ILG, as but only candidate came into effect in 2009 in the gas and forestry projects agreement.

The landowners said Mr Taro and his ILG is an illegal organisation not mandated and not a representative of the clan. "Tuanda ILG is a self-interest group so we call on Barrick and the State not to be misled as it is a one-man group. "We also call on Barrick and Porgera Joint Venture to make any payment like the royalties and other landowners benefits to follow the old process of payment and not through illegal organisations that pop up like Taro's ILG," they said. All the landowners like their Tuanda clan lives within the SML area which is owned by Barrick after it was given to it by their father Sing who passed on in 1989 when the mine agreement was signed. "The 600 ha of land he claims to own is the SML land and not a new land. That is why Barrick does not recognise your organisation as you stated. We the 8 other families do not even recognise your ILG," they said.

### **PNG landowner push for miner's exit up against the odds**

*A Canadian mining company appears to have government support in the face of landowner opposition to its presence in Papua New Guinea's Highlands.*

Johnny Blades, RNZ Pacific Journalist, Radio New Zealand, 8 October 2018

Barrick Gold is seeking a renewal of its Special Mining Lease licence at Enga province's Porgera gold mine which it and Chinese miner ZiJin each own a 47.5 percent stake in. But landowners are urging the government to reject the licence application due largely to Barrick's stewardship of the Porgera Joint Venture for the past decade. The Justice Foundation for Porgera says the mine has caused irreparable environmental damage and [human rights abuses](#). The group, which claims to represent landowners in the mine area, also accuses Barrick of failing to compensate victims of abuses or to resettle those displaced by the mine's operations. Its chairman Jonathan Paraia said that for almost thirty years the mine had caused many problems for landowners, and that the government should not renew Barrick's permit. "Because of overwhelming objection from the local community, even if they issue the exploration license, physically the landowners will not allow them to explore in their areas," Mr Paraia explained.



A protest against Barrick Gold. Photo: Facebook/ Kelly Taila

"They want Barrick out of Porgera or Papua New Guinea. They want the mine to operate but they want to change the ownership rights." But the Lagaip Porgera MP, Tomait Kapili, claimed that the Justice Foundation for Porgera did not legally represent landowners, and said the Porgera Landowners Association remained the legitimate local representative body. Mr Kapili has poured cold water on the Justice Foundation's [attempts](#) to drive Barrick out. A member of the national government, the MP said he expected the license [would be renewed](#). But Mr Kapili said the new license could be granted on improved terms for landowners who currently have a 2 percent stake in the mine, and a measure of leverage. "I'm ready to negotiate with Barrick and ZiJin on those funds, not to accuse them of this and that, and then tell them you've done enough damage, we take over the mine and all that," he said. "They (Barrick and ZiJin) have big investment in there, they are not going to move out. None of the allegations have been tested, except for the security guards' harassment of ladies."



Zijin Mining's Chen Jinghe and Barrick Gold's John Thornton Photo: Supplied

Some security personnel employed by Barrick were implicated in brutal gang rapes of local women and girls, part of a long history of [lawlessness and violence](#) around the Porgera mine. A Barrick spokesperson denied that there have been any credible reports of rapes by its security contractors since the matter was investigated in 2010. He also denied that the company hadn't fulfilled its commitments to landowners removed from the mine lease area. "The Porgera Mine pays significant statutory land use compensation to traditional landowners of the land on which the mine is situat-

ed," the spokesperson said in a statement. "The company notes that this compensation is determined by government regulation, and that contrary to recent claims, the mine has always complied with its compensation payment obligations."

Regarding Mr Paraia's claim that the mine hasn't produced promised benefits for the local community or [those evicted](#) due to the mining operations, Barrick defended its record. "In addition to providing many thousands of jobs for Porgerans and other Papua New Guineans, the mine has provided funding for the development of critical public infrastructure in Enga and adjacent Provinces throughout its operating life to date." On the back of collapsed revenues over the past couple of years, PNG's government is unlikely to want Barrick to leave the country when there is no obvious replacement with the know-how to exploit the Porgera deposit. "To date the Porgera Joint Venture has paid over 3.3 billion kina in taxes and more than 520 million kina in royalties, providing a long-term source of important public revenue for Enga, the National Government and the Porgera Landowners themselves," Barrick's spokesperson said.



Porgera mine. Photo: wikicommons / Richard Farbellini

The Mining Warden, Kopi Wapa, has been conducting hearings in Porgera as part of public consultations over the license application, before submitting his report to the Mining Advisory Council which ultimately makes a recommendation to the minister on whether to approve the license. In his recent visit to Mr Wapa witnessed vocal crowds of Porgera landowners demonstrating their opposition to Barrick remaining. But Mr Paraia said his group was frustrated that their legal counsel was denied an opportunity to present their case to Mr Wapa. According to Mr Paraia, he fears the mining warden may have been compromised. "It is alleged, he flew into the mining area at the cost of the company, and he was accommodated at the company. They were eating and dining together. And he was subject to influence by the company. That's why we thought the lawyer was denied from speaking." However, the Justice Foundation of Porgera has indicated it will serve a notice of dispute, and has suggested an independent arbitrator be engaged by the government as it weighs up whether to renew the Porgera Joint Venture's Special Mining Lease agreement which expires next year.

### **Police break blockade by Kanaks at New Caledonia nickel mine**

Radio New Zealand, 6 October 2018

Police in New Caledonia have broken up a blockade of the nickel mine at Tiebaghi. The French High Commission says one person was arrested during the operation last night which was ordered



after the SLN nickel company had gone to court. The blockade was launched on Monday by activists of the Movement of Revolutionary Kanak Groups and stopped dozens of people from going to work. The group said it wanted next month's independence referendum called off, land returned and indigenous rights recognised. It also said it wanted to negotiate only with the French state, accusing it of pillaging the area's wealth. One of its leaders said the group was against the referendum because it wouldn't guarantee independence, adding that no referendum was held to seize New Caledonia. The shutdown of the Tiebaghi site followed the closure two months ago of the Kouaoua mining centre by a local group opposed to expanded mining. SLN, which has four major mines to feed its smelter in Noumea, is the territory's biggest private sector employer.



Protesters shut down SLN's Tiebaghi mine in New Caledonia's far north Photo: FB MGRK Ouémaolep Nouvelle-Caledonie

## Nickel mining set to start on Solomons' San Jorge island

Radio New Zealand, 6 October 2018



Axiom drilling activity on Isabel Nickel Project. Photo: Supplied

Nickel mining is finally set to commence on San Jorge Island in Solomon Islands' Isabel Province. An Australian company, Axiom, this week announced that mining will begin in December. It said the mine's first nickel ore shipment was expected to be made in the first quarter of next year. Axiom, which was granted a lease by the Solomons government last month, said it was close to finalising finance for its project. According to the company, it is in "advanced stages of negotiations with a number of parties" who are potential partners in the mine. On the back of Wednesday's announcement, shares in Axiom Mining rose sharply on the Australian stock exchange. Isabel is considered to possess one of the largest clusters of nickel laterite deposits in the Pacific.

### **Ramu NiCo discharge site tested**

October 4, 2018, The National Business

AN independent international consultancy firm successfully conducted a marine monitoring programme along the coastline of Basamuk, Madang, over the past four weeks. Basamuk, in Raicoast, is where the country's first nickel/cobalt mine developer RamuNiCo Management (MCC) discharges its wastes using the deep-sea tailings placement (DSTP) technology. International consultancy Ian Hargreaves and Associate Scientists completed the monitoring programme using the ship mv Mornitoringprogramor, a special marine vessel from Collins Shipping Service Ltd, with other scientific accessories travelled in from Australia. Marine monitoring is one of the environmental studies conducted after every five years of production to comprehensively assess the potential impact caused to the marine ecosystem by project operation activities and DSTP operation status. The completed independent report on the monitoring programme will be provided to the Conservation and Environment Protection Authority (Cepa).

RamuNiCo Management had earlier clarified the marine monitoring programme during the Ramu project update meeting organised by the Mineral Resources Authority at Jais Aben Resort in Madang last week. Corporate health safety and environment (HSE) supervisor Steve Opur made a presentation on the environment monitoring programme and other environment-related activities which the company conducts to stakeholders. Several questions and issues were raised at the meeting, which company environment officers along with an officer from Cepa explained to the stakeholders. The Ramu project update meeting was attended by stakeholders including Government representatives from MRA, Mineral Resources Development Company (MRDC), National Apprenticeship Trade Testing Board (NATTB), Madang provincial administration, landowner association chairmen and women representatives.

### **Enga landowners want Canadian miner out of PNG**

*Landowners are calling on Papua New Guinea's government to reject an application for a renewed exploration permit for a Canadian miner.*

Radio New Zealand, 4 October 2018

Barrick Gold is seeking a renewal of its license at the Porgera gold mine in Enga province which it and Chinese miner ZiJin each own a 47.5 percent stake in. The Justice Foundation for Porgera group says it represents a majority local landowner groups. Its chairman Jonathan Paraia said the mine had caused irreparable environmental damage and failed to deliver promised benefits for the community. He said repeated rapes of local girls by Barrick's security guards have also left a legacy. "Over the years there are a lot of issues affecting landowners, caused by the company, and there is no remedy. It's now thirty years [that the mine has almost been in operation]. They want Barrick out of Porgera, or Papua New Guinea. They want the mine to operate but they want to change the ownership rights." The Mining Warden, Kopi Wapa, has been conducting hearings in Porgera as part of public consultations over the license application, before submitting his report to the Mining

Advisory Council. The Council will subsequently make recommendations to the minister of mining on a final decision on this matter.

However, the Justice Foundation for Porgera group is concerned that Mr Wapa lacks impartiality in this matter, accusing him of being sponsored or compromised by Barrick. "The Warden was on the podium surrounded by mining company employees, he gagged our legal counsel and tried to gag us," Mr Paraia explained. But the local MP, Tomait Kapili said the Justice Foundation for Porgera group was falsely purporting to represent landowners, and had little grounds on which to oppose Barrick's operations. Mr Kapili, who said the Porgera Landowners Association remained the legitimate local landowner representative body, predicted that Barrick's license would be approved, but on improved terms. "Improved terms to the landowners, the district Development Authority, the provincial government and the national government," the MP said, adding that an increase in equity participation was the aim.



A protest against Barrick Gold. Photo: Facebook/ Kelly Taila

"We'll need to amend the Mining Act to increase the 2 percent royalty up to about 10 percent." Yet, Mr Paraia said landowners expected the warden to make a recommendation for Barrick to be refused approval for exploration, "because of overwhelming objection from the local community". "Because even if they issue the exploration license, physically the landowners will not allow them to explore in their areas." "This mine has turned us into mining refugees in our own land, we are subsistence people without land we cannot grow food to survive. People have died, women and girls have been gang raped, hundreds displaced on Barrick's watch." Barrick has paid compensation for a number of the victims of its security guards' abuses, however local groups have complained that there has been a [lack of justice](#) on many counts. According to Mr Paraia, Enga's provincial governor Sir Peter Ipatas had earlier indicated he supported the landowners in their opposition to Barrick. The Special Mining Lease agreement which is the basis for any mining in Porgera is still valid until next year.

### **Axiom says near supply agreement for Solomon Islands nickel mine**

Melanie Burton, Reuters, October 3, 2018

Australia's Axiom Mining on Wednesday said it was close to deciding on a partner to take nickel ore supplies from its mine in the Solomon Islands in exchange for finance. Mining at the San Jorge project in the Pacific nation will start in December, with ore shipments expected to begin in the first quarter of next year, Axiom said in a statement. The Solomon Islands approved a mining lease last



month and ore loading facilities are currently being built, the firm said. A previous mine finance arrangement with Gunvor Singapore, for A\$5 million (\$3.6 million) in funding and up to A\$10 million towards mine construction, that was made in 2015 has now expired, Axiom said. “With the recent grant of the mining lease there has been an increase of interest and demand from nickel ore consumers for Axiom’s San Jorge material,” it said. The San Jorge mine is a nickel laterite ore deposit. “Terms and conditions of proposed agreements continue to be refined and are in a final stage of negotiation,” Axiom said, without giving further detail. (\$1 = 1.3953 Australian dollars)



Axiom drilling activity on Isabel Nickel Project.

### **Sit-in protest is misleading: Ekepa**

*THE alleged sit-in protest led by a handful of Porgera gold mine landowners in the Enga Province is misleading and was led by an illegal and illegitimate landowner group.*

Post-Courier, October 3, 2018

THE alleged sit-in protest led by a handful of Porgera gold mine landowners in the Enga Province is misleading and was led by an illegal and illegitimate landowner group. Porgera Landowners Association chairman Tony Mark Ekepa described the widely publicised report of a sit-in protest as media grandstanding by the Justice Foundation for Porgera and not by any recognised or legitimate landowner representative like the Porgera Landowners Association. He said the court orders of 813 and 907 in 2014 are clear, that Justice Foundation for Porgera does not have standing to represent the landowners. “The decision of justice Allan David on the two different court proceedings on November 15, 2017 and June 9 are clear and for the alleged organisation to claim to represent the landowners is misleading when they received stiff resistance from the landowners “The people who supported Barrick put up a strong resistance by burning their t-shirts they printed,” he said in a statement.

Mr Ekepa said Barrick as the developer has been paying a lot of compensation in the form of royalties, occupancy fees and equities over the years and for a selected group of people to deny that is unacceptable and not in the best interest of the landowner beneficiaries. Meanwhile, Mr Ekepa said for Sole Taro to claim damages for the dump area is also misleading as he and other leaders were community relations officers and advisers who failed to negotiate a successful agreement. Mr Ekepa said he led a successful negotiation after shutting the mine for two weeks during the time of Brad Gordons, the mine manager and Mining Minister Sam Akotai. He said Mr Taro should blame himself for failing the people and is now blaming Barrick. “You are changing your tongue when you

are the one who was responsible for failing a successful negotiation after a peaceful protest shut the project for two weeks.

“We were in the process of signing the agreement when you compromised with your other friends (named) to mislead and convince the landowners not to support the proposed deal. “Now you are crying foul, who is at fault? You are responsible to turn down what would have been the best negotiation for the people. You are receiving royalties, receiving occupancy fees and equities so what compensation do you want? Stop misleading the people and the nation. “The land is within the SML area which is owned by Barrick and they pay their dues in forms of royalties and occupancy fees,” he added.

### **Second major New Caledonia nickel mine closed by protesters**

*A second large nickel mine in New Caledonia has been blockaded, stopping about 200 people from going to work. Radio New Zealand, 3 October 2018*



Protestors in New Caledonia's north demanding independence from France Photo: FB MGRK Ouémaolep Nouvelle-Caledonie

Activists of the Movement of Revolutionary Kanak Groups took the action at Tiebaghi which is a key nickel mine of the SLN company. The group said it wanted next month's independence referendum called off, land returned and indigenous rights recognised. It also said it wanted to negotiate only with the French state, accusing it of pillaging the area's wealth. One of its leaders said the group was against the referendum because it wouldn't guarantee independence, adding that no referendum was held to seize New Caledonia. The shutdown of the Tiebaghi site in the far north of the main island follows the closure two months ago of the Kouaoua mining centre by a local group opposed to expanded mining. Security forces have not intervened.

### **PNG landowners fight against one of the largest gold miners in the world**

Jarni Blakkarly, SBS, October 1, 2018

Papua New Guinea's neighbours living next to one of the largest gold mines in the world are asking the government to block attempts to extend their mining license. The mine has been operating for almost 30 years, but the license for the Porgera gold mine in Enga province, Papua New Guinea, expires in May. Jonathan Paraia is the president of the Justice Foundation for Porgera and is leading

the charges against the mining companies. "The people were not treated properly, they are suffering in terms of their human rights, destroying their homes and gardens and the land they live on," he said. The Porgera gold mine is operated by a joint venture between Canada's Barrick and Chinese miners ZiJin, which have a 47.5 percent stake each. The remaining five percent is in the hands of a regional government agency, Mineral Resources, Enga. The villagers say that promises of jobs and benefits from the mine have only reached a few, while the rest still live in extreme poverty and have lost access to their traditional lands. The members of the community met at a meeting last Thursday to express their anger. Along with the traditional drums and songs, they were "Barrick out" songs.



Hundreds gathered in the province of Enga to oppose the extension of the license of the mine. Jonathan Paraia says that the operation of the mine has caused significant environmental damage. He says he expects a different mining company to have the opportunity to enter the area, one that will extend the benefits more widely through the community. Australian lawyers who inform the group that opposes the extension of the mine say the owners deserve adequate compensation. "People want to be treated fairly, they want to see a much fairer distribution of mine profits. They want to see their people with more opportunities and if they can not be approached, they will oppose the mine continuing in any way," said attorney Matthew Graham. "Ideally, the mine should continue to operate, and people can be better off in the future and compensated for environmental damage in the past," he added. A spokesperson for Barrick Niguini Limited, the local arm of the company that operates the joint venture, said they always paid compensation and royalties, and that the mine had brought significant infrastructure and benefits to the local area.



### **Ramu NiCo announces K4.8b mine expansion**

*RAMU NiCo Management Limited, the developer of the country's first nickel, cobalt mining project last Thursday, announced expansion plans investing over US\$1.5 (K4.8) billion into the project.*  
Post-Courier, October 1, 2018

RAMU NiCo Management Limited, the developer of the country's first nickel, cobalt mining project last Thursday, announced expansion plans investing over US\$1.5 (K4.8) billion into the project. The Madang project expansion is expected to provide an additional one thousand plus job opportunities for locals when construction and production starts. The announcement was made at the Ramu Project Update meeting organized by the Mineral Resources Authority (MRA), which was attended by project stakeholders, government department representatives, and landowners from four impacted areas. Feasibility studies of the expansion project had already been completed which is covering new areas in the Kurumbukari plateau in Usino-Bundi district in Madang. The product matrix in the expansion still remains the same as nickel/cobalt hydroxide (MHP).

Furthermore, the expansion is expected to increase production and reduce operation costs. Ramu NiCo Management (MCC) Community Affairs Manager, Albert Tobe in representing the company highlighted that the project expansion report submission would be made to the MRA, Conservation and Environment Protection Authority (CEPA) and the Chinese Embassy following compilation of various approval procedures. The scheduling of the signing of the memorandum of agreement (MoA) for the project expansion is expected to be done in November during the APEC Leaders Summit which it is also anticipated that the two leaders from PNG and China would also witness. Vice president of Ramu NiCo (MCC), Wang Baowen in clarifying the project expansion at the meeting stated that the expansion is expected to support cash flow within the project area and create local business spin-offs for the locals. Furthermore, it is expected to improve the living condition for people who relate to the Ramu.

### **Porgera landowners protest 30 years of breaches by Barrick Gold**

Zombi Kep, Post Courier, October 1, 2018



Landowners Claim Breach Of Agreement By Barrick Gold

Disgruntled landowners of Porgera gold mine held a protest demonstration during the Mining Warden hearing held last Thursday in Paiam, Porgera, Enga Province against the mining operator's failure to follow the contract that was signed nearly 30 years ago. Chanting, 'Barrick out' a large number of people attended the protest held against Toronto-based Barrick Gold for not giving them what rightfully belongs to the Porgera Special Mining Lease (SML) landowners. The protestors led by the Justice Foundation of Porgera said that Barrick Gold, the Canadian corporation that is the world's largest gold mining company has failed to fulfil some of the agreements that were signed in a memorandum of agreement in 1990. Chairman of Justice Foundation of Porgera Ltd Jonathan Paraia said that the Porgera Gold mine has been operating for 30 years but has failed to comply with some of the benefits in the agreement. "Over the years, those things promised in the agreement were not delivered. And now the landowners will serve a notice of dispute as well as claim for breaches of agreement." He said that they will take it up to the government to address it before they renew the mining lease next year.

"We are going to submit our notice of dispute and we have nominated an arbitrator to arbitrate it, we are just waiting for the government to agree to that arbitrator who is from Australia." Mr Paraia said that after the government agrees to the arbitrator, they will proceed with the arbitration process under the current agreement. Meanwhile, he alleged that apart from the destruction of their livelihoods, environment and river systems, the company owes the SML landowners US\$40 billion. "Barrick did not comply with our existing agreement under the mining development contract which they are supposed to do certain things and they have failed to do that and the landowners have lodged claims for US\$40 billion through the government because their agreement is with the government." He said that the government is protected under the intermediate clause. "So if such claims go in through the government than the national government will pay for that." he added.

### **CEDAW and Extraterritorial Obligations: PNG Activists Highlight Australia's Role in Human Rights Violations**

Nikta Daijavad, IWRAW, PNG Mine Watch 1 October 2018



Papua New Guinea activists Ruth Saovana Spriggs (left) and Sabet Cox in Geneva. Image still from forthcoming IWRAW Asia Pacific video

At IWRAW Asia Pacific's most recent From Global to Local training programme, run in parallel to the 70th CEDAW Session, we were joined by two activists from a small group of Papua New Guinea women working to expose the gendered harms of Australia's large-scale extractive industries – which have operated across many provinces of Papua New Guinea for five decades. Dr Ruth Sao-



vana Spriggs (left, above) is the director of the Bougainville People's Research Center (based in the Autonomous Region of Bougainville), and Elizabeth (Sabet) Cox (right, above) is a technical advisor to HELP Resources and Voice for Change (based in the Sepik and the Highlands regions of Papua New Guinea) and an emerging women's organisation in Hela – the site of Papua New Guinea's controversial vast and expanding gas fields in a context of underdevelopment and armed conflict. These four local NGOs were supported by Development Alternatives with Women for a New Era (DAWN), to prepare and submit a [shadow report](#) to the CEDAW Committee's review of Australia, held on 3 July.

Ruth and Elizabeth focused their advocacy on Australia's failure to meet its extraterritorial obligations (ETOs) in relation to its financing of, and development cooperation with, risky and socially and environmentally destructive Australian extractive companies in Papua New Guinea. In recent years, activists have increasingly called upon states to fulfill such obligations. Relying on the Maastricht Principles on Extraterritorial Obligations in the Area of Economic, Social and Cultural Rights, they argue that states are obligated to ensure that non-state actors which they are in a position to regulate, including private individuals and transnational corporations, do not violate human rights. The Women's International League for Peace and Freedom, for example, submitted shadow reports on the extraterritorial obligations of Spain, Sweden, and France with regards to arms transfers for the 61st, 63rd, and 64th CEDAW Sessions, respectively. FIAN International similarly submitted a [shadow report](#) on the extraterritorial obligations of Germany with regards to coffee plantations owned by German transnational corporations that were illegally evicting peasant communities in Uganda (66th CEDAW Session).

In Australia's case, the state has provided critical financial support to extractive industries that have been assessed as high-risk for social and environmental impacts. In Bougainville, for example, Rio Tinto of Australia operated the Bougainville Copper Limited mine between 1969 and 1989 – until tensions over the dumping of tailings in the Jaba River, grossly unequal benefit sharing arrangements, and an influx of migrants from other provinces eventually erupted into a decade-long civil war with the Papua New Guinea government, with military support from Australia. When a military response failed, Papua New Guinea imposed a total blockade on goods, services and supplies, resulting in the loss of an estimated 20,000 lives, and countless war crimes of sexual violence. Ruth's research has revealed that local women lost their traditional matrilineal authority, especially in relation to land rights and decision making. They witnessed huge social and cultural upheaval, bore the brunt of a long armed conflict and barely received USD20 in cash benefits annually.

The Australian government's secretive Export Credit Agency – the Export Finance and Insurance Corporation (EFIC) – provides critical loans to 'close the deal' on new projects operated by Australian extractive companies when risk-averse banks will not. In 2009 EFIC provided a AUD500 million loan to enable Exxon Mobil and joint venture partners Oil Search and Santos to proceed with a liquefied natural gas project in the remote Hela region, despite warnings that support for the project could exacerbate already-existing armed conflict and violence against women. The lessons from Bougainville and from a succession of mining disasters have not been learned, and the gas fields in remote Hela Province have created a nightmare situation for women. The gas project start-up ignored the land-based armed conflicts among men and the extreme forms of sexual and gender-based violence against women and girls. Worsening armed conflicts have undermined Hela's rudimentary governance, service delivery and justice systems and rising impunity for daily murders, assaults and rapes. Ruth and Elizabeth advocated four priority obligations of the Australian government:

1. guarantees of women's security and access to justice in areas impacted by Australian extractive industries, including establishing a complaints mechanism to provide reparations for past harms;

2. Australian companies to undertake substantive gender analysis and to ensure women give free, prior and informed consent prior to extractive project start-up;
3. institution of gender-equal benefit sharing in land-owning and impacted communities; and
4. gender-equal access to jobs and training in Australian-owned extractive industry companies.

Throughout the process, women leaders from the remote Hela province in Papua New Guinea communicated daily with Ruth and Elizabeth, expressing their great hopes that their voices would be heard. They have since expressed their appreciation to the CEDAW Committee and the process. During Australia's constructive dialogue, Committee member Nahla Haidar directed incisive questions to the Australian state delegation regarding state loan financing of Australian extractive companies in Papua New Guinea and development grants to company-led corporate social responsibility projects for women. She noted, "There seems to be a failure to learn from the conflict in Bougainville ... To what extent will the [Australian] government engage with the UN Principles on Business and Human Rights?" She reminded the delegation that its 2016 Universal Periodic Review had recommended that Australia adopt a National Action Plan on Business and Human Rights, and Australia had responded that it would consider further measures for implementation of the Guiding Principles on Business and Human Rights. This has not yet resulted in an adequate response.

The concerns highlighted in the shadow report on Australia's ETOs are well reflected in Australia's Concluding Observations. The Committee recommends that Australia develop a National Action Plan on Business and Human Rights, incorporating a gender perspective, ensuring that all large-scale extractive projects have obtained free prior informed consent from locally affected women, and establishing a specialised mechanism to investigate violations of women's human rights by corporations based or registered in Australia or receiving subsidies from it.

Despite the lack of a clear commitment from the Australian delegation to address this issue, Ruth remains hopeful that highlighting the nature of Australia's extractive industries in the international arena will eventually have a positive impact. As she said in our interview, "Unfortunately I was a little disappointed, but at least [the Australian delegation] heard it ... And to me, it is a plus that [the issue] is at least registered at this level." She also believes that continuing to strengthen the relationship between academic research and advocacy-oriented spaces like CEDAW will help bring to light the depth and complexity of the human rights violations taking place in Papua New Guinea. Elizabeth added, "It's given me hope that we can do more back in Papua New Guinea, and because the autonomous region of Bougainville is preparing for independence, [this] can be a new starting point for them to hold their independent government accountable to address the rights of women in the new state." Bougainville is slated to hold an independence referendum on 15 June 2019.

## **Freeport Seals Pact With Indonesia on Giant Grasberg Mine**

Eko Listiyorini and Viriya Singgih, Bloomberg, September 27, 2018

- Definitive agreement to allow Inalum to raise stake to 51%
- Accord is culmination of more than a year of negotiations

Freeport-McMoRan and Indonesia signed a binding landmark agreement for the U.S. miner to hand over majority control of the giant Grasberg copper and gold mine to a local state-owned firm, in the country's biggest ever divestment by a foreign resources company. Freeport Chief Executive Officer Richard Adkerson and PT Indonesia Asahan Aluminium President Director Budi Gunadi Sadikin signed a divestment deal and two other pacts in Jakarta on Thursday. The transfer of majority shares to Asahan Aluminium will happen once the company makes a payment of \$3.85 billion to Rio Tinto Group and Freeport, Sadikin said. The U.S. producer will continue to operate the mine under the agreement, which culminates more than a year of talks. The accord will allow Indonesia

to issue a special mining license for Freeport to run the world's second-largest copper mine through 2041. Freeport and Asahan Aluminium, known as Inalum, will complete the transaction before the year-end, Sadikin said.



### **Barrick Gold and Randgold join to form a mega-miner**

The Economist, September 27 2018

“THE gold sector is like a charade,” Mark Bristow proclaimed in 2016, deriding miners for having too much debt and too little discipline. Mr Bristow is nonetheless poised to become the industry’s most powerful man. On September 24th Barrick Gold, a giant miner, said it would pay \$6bn for Randgold Resources, the firm Mr Bristow founded. If shareholders approve the deal, it would be the world’s biggest gold-mining company. Mr Bristow’s task, as chief executive of the combined entity, is to restore its gleam. The industry as a whole is looking a bit grubby. As gold prices rose in the 2000s, many firms went on a spree, snapping up mediocre mines. When prices fell, they were left with debt and inferior projects. This year share prices for big miners have been stuck in the dirt even as the broader stockmarket has soared (see chart).

Barrick has struggled, too. Founded in Canada in 1983, it took on more debt as it mined for gold on five continents. John Thornton, its chairman, has in recent years worked to sell mines and strengthen the company’s balance-sheet. But Barrick still had \$5.8bn in debt in July and a BBB credit rating from S&P, a ratings agency. It faces declining production, because reserves are being depleted and some far-flung investments are proving problematic. Work has halted on a large mine in the Andes, for example, in the face of opposition from environmentalists. Production has plunged in Tanzania, as the government demands a greater share of riches from mines in which Barrick has a majority stake.

Enter Mr Bristow, a geologist who likes to traverse Africa by motorbike. Investors widely admire Randgold. It is choosy about its mines, investing only in places with particularly rich deposits, and disciplined about costs, regardless of whether gold prices are high or low. Management is localised in the countries where Randgold operates—Mali, Ivory Coast and the Democratic Republic of Congo (DRC). This has helped it succeed in an industry dogged by volatile prices and volatile governments, or “complex jurisdictions”, as the company calls them. Barrick’s Mr Thornton, who will remain chairman, hopes Mr Bristow can apply his operational expertise to a global miner. For instance, Randgold excels at underground mining, which will be more important for Barrick but has

not been its speciality to date—Barrick has mostly unearthed gold in vast open pits. Randgold also brings hard assets.



The combined group would be a mega-miner, with five of the world's ten biggest mines. Randgold's cash flow would help service Barrick's debt and support investments in America and the Dominican Republic. Notwithstanding such benefits, shareholders may still oppose the deal. Barrick's investors may balk at risks in Africa—the DRC, for instance, is changing its laws in order to take higher royalties from mining companies. Randgold's investors may resent that Barrick is paying no premium for Randgold's shares. If the companies do combine, Mr Bristow must manage a much larger, more complex business than he has to date. He will have to show that the expertise he displayed in Africa is useful in developing Barrick's mines in, say, Nevada. Time to test his Midas touch.

### Unauthorised miners to be fined

*The Mineral Resources Authority has started ridding unauthorized semi mechanized or mechanized mining in the country.* Post-Courier, September 27, 2018

The Mineral Resources Authority has started ridding unauthorized semi mechanized or mechanized mining in the country. Unauthorized alluvial mining is predominant in the Wau and Bulolo areas of Morobe Province. Illegal alluvial miners face a fine of up to K10,000 or prison term of up to four years. Recently MRA issued 13 stop work notices to individuals engaged in the illegal activities in Wau and Bulolo. MRA stated such activities are not only illegal but pose substantial environmental and safety risks to miners themselves and the surrounding communities. MRA's acting managing director Nathan Mosusu appealed to the miners to adhere to the regulatory requirements, which is part of MRA's regulatory compliance responsibilities.



Mr Mosusu said MRA has in the past demonstrated its openness and commitment to developing the alluvial sector in collaboration with miners, but it is the miners' obligation to ensure they operate in compliance. "I am asking miners to work with MRA for the betterment of the sector. Together we can achieve results," Mr Mosusu said. The Mining Act 1992, section 167 states – a person shall not carry on exploration or mining on any land unless he is duly authorised under this Act. The MRA said the deaths of alluvial miners from cave-ins caused by unauthorised mining activities, and failures to adhere to safety requirements have become common.

It said tunneling and sluicing as part of these unauthorised operations has damaged local roads especially between Wau and Bulolo. The Wau and Bulolo areas have a long history of alluvial mining that dates back to the 1920s. At present, there are 81 active alluvial mining tenements and 50 inactive historic tenements granted under the previous mining legislation. The 50 historic tenements are yet to be converted to alluvial leases recognised under the current Mining Act 1992. Once converted, the terms of these converted tenements would then ensure key safety and environmental aspects of mining operations are regulated appropriately.

### **Wallis and Futuna rejection of seabed mining work welcomed by Pacific NGOs**

*A decision by traditional leaders in Wallis and Futuna to reject work related to seabed mining has been welcomed by a regional body of non-government groups.*

Radio New Zealand, 24 September 2018



Seabed mining Photo: Nautilus Minerals

Earlier this month the kingdoms on the French Pacific island of Futuna [ruled out](#) allowing any further exploration of the seabed in their waters, saying their stance is final. The Pacific Islands Association of NGOs, or PIANGO, said it stands with community and church groups around the region who call for a ban on seabed mining. PIANGO director Emele Duituturaga said there were environmental concerns and also a lack of clarity around the financial benefits that resource owners will directly receive. She said in the current geo-political climate and age of 'cheque book diplomacy' it is important for the voices of the people to be heard. "Now is the time for traditional leaders and our indigenous peoples, who are the main owners of our resources, to stand up and be counted."

Emele Duituturaga said the lessons and experiences of mining in the Pacific should be heeded when contemplating exploration of the seabed. She said there should be a ban on seabed mining around the region, and that the same environmental and benefit issues surrounding terrestrial mining, exist around seabed exploration. "We've not really seen any income from terrestrial mining. We've also

seen the environmental degradation so we doubt very much that seabed mining will be any different." French scientists have visited the territory and said the question of underwater mining will remain. Five years ago, the French Economic, Social and Environmental Council urged the government to secure resources in the seabed off France's overseas territories.

### **TTR plans to appeal seabed mining decision**

Jane Matthews, Stuff NZ, September 21 2018



Ngati Ruanui protested against Trans-Tasman Resources' bid for marine consent to mine the seabed for iron sand. More than 6000 people signed the petition calling for a moratorium on seabed mining. (File photo: Monique)

Trans Tasman Resources have decided to appeal the High Court decision that quashed their consent to mine up to 50 million tonnes of iron sand from a 66 square kilometre area off the South Taranaki Bight for 35 years. (File photo) A mining company who has had their controversial consent to mine the seabed off South Taranaki denied for the second time has decided to appeal the High Court decision to stop them. Trans Tasman Resources (TTR) has been trying to gain access to mine the South Taranaki seabed for years and was granted it in August 2017 by the Environmental Protection Agency (EPA). However, about three weeks ago the High Court quashed their consent on the grounds that the company's method of environmental management was illegal. TTR executive chairman Alan Eggers announced on Friday the company intended to lodge an appeal against the High Court's decision, but first had to gain the permission of the court to do so.

"Today TTR has lodged a notice to the Court of Appeal to seek leave to appeal the High Court judgment of August 28, 2018 regarding our marine consents for the South Taranaki Bright iron sands project," Eggers said. "It's before the court and we'll respect that and we'll now have to see if the court will accept an appeal." Eggers would not answer any of *Stuff's* questions but said the basis of TTR's appeal would be that they believe the EPA did follow a "legally correct approach in granting a marine discharge consent". The High Court decision to quash TTR's contract, which granted consent from the EPA to mine up to 50 million tonnes of iron sand from a 66 square kilometre area off the South Taranaki Bight for 35 years, was because they'd planned to use an "adaptive management approach". Adaptive management is allowing an activity with uncertain effects and continually assessing it - essentially trying it out, seeing what happens and adapting the conditions accordingly, which was argued to be illegal under New Zealand law applying to the Exclusive Economic Zone and continental shelf.



Kiwis Against Seabed Mining chairperson Cindy Baxter wished TTR would just 'go away' after years of battling. TOM PULLAR-STRECKER/STUFF

Cindy Baxter is the chairperson of Kiwis Against Seabed Mining (Kasm), who were one of the parties who appealed the granting of consent, and said she was "unsurprised" with TTR's desire to appeal the decision. This is TTR's second application to mine. It first applied and was denied in 2014, and Baxter was sick of them continuing to push despite denial and vocal opposition.

"I really wish that they would just go away - there's a huge opposition," she said. "We're standing on the shoulders of tens of thousands of people."

### **Moran LOs threaten to shut oil fields**

Post-Courier, September 21, 2018

THE Moran oilfields landowners are threatening to shut down the gas fields if the remaining balance of K35 million State commitment to them is not released before the World Leader Summit (APEC) in November. Liya Molo, a chief from the Paua clan in the petroleum development licence-5 (PDL) area, claimed that though there was an existing authority on the ground to manage the funds, both political and administrative system in Waigani are capitalising on the excuse of not having an authorised authority, resulting in the delayed release of funds. "Moran field or unit reservoir straddles three different licences namely PDL-2 block 2006, PDL-5 block 1934 and PDL-6 block 1933. "In geotechnical terms, oil in PDL-2, PDL-5 and PDL 6 are in communication, therefore the oil from this three licensed areas are pulled together. "The landowner leaders in 2009 have entered into an agreement and also formed three associations to manage funds (PDL-2 Apporo Uri Landowners Association, PDL-5 Homa Paua People Association and PDL-6 Pai Parapia Resource Owners Association," Mr Molo said.

He said numerous attempts have been made to have the funds released but attempts have been in vain. It was noted a document produced on a decision by National Executive Council on May 19, 2011, on the allocation and implementation of outstanding memorandum of understanding funds and projects, shows that some funds have been released to Kutubu, Gobe, Moran and Hides Gas. For Moran, of the K50 million committed, K15 million was released with an outstanding balance of K35 million. The NEC in its decision 86/2011 during meeting number 15/2011 on the status of the state's outstanding commitment to Kutubu, Gobe Moran oil projects and Hides Gas on electricity project costed K235 million, agreed in connection with the Licensed Based Benefits Sharing Agreement in 2009.

This showed that some funds were released to the four areas. NEC approved the breakup of another K100 million in the 2010 supplementary budget. Mr Molo said this did not eventuate with the re-



maining K35 million to be split among the three licenced areas on Moran oilfield to carry out the intended projects which are on hold due to unavailability of funds. He said any individuals, company or group that has interest in the K35 million should approach their associations. “The state and its agents should not entertain individuals or groups but should deal with the three recognised associations,” he said.

### **Save the Sepik from mining: learning from the past**

Ken Golding, Echo Net, 21 September 2018



Visiting the Sepik River and its people. Photo supplied.

The people of the Sepik River in Papua New Guinea understand the threat to their lives and culture from the Chinese-owned copper and gold mine that is currently being proposed to be built on the Frieda River, a tributary of the headwaters of the Sepik River. My partner Raine Sharpe, myself and Keith O’Neill have just returned from the remote Sepik River in Papua New Guinea. We were part of the Northern Rivers Folk Choir that responded to invitations from the people of The Sepik to live with them, share their culture and help alert the world to the threat to their lives from the copper and gold mine being proposed.





### **Rich culture**

We were welcomed into their homes, their daily life and their rich and colourful culture. Sepik people are warm, generous, and intelligent with a great sense of humour. They are renowned for the quality of their artistic cultural expression and live an ecologically aware life described by PNG ABC journalist Sean Dorney as ‘affluent subsistence’. The Sepik River is 1,200 kilometres long and is the largest uncontaminated freshwater system in the Asia Pacific region. Rising in the Central Highlands it winds its serpentine way through mountains, rainforest and wetlands to the ocean. People have lived on the Sepik for many thousands of years.

### **Poisoned river**

The second-largest river in PNG is the Fly River. In the 1970s Australian mining companies built Ok Tedi, a huge copper and gold mine on the river’s headwaters. This mine became the scene of what is now recognised as the biggest ecological disaster in the world. Discharging 80 million tonnes of contaminated tailings and mining erosion into the river system each year has caused 1,300 square kilometres of the river to be irrevocably damaged. People of the Fly River now suffer serious health problems with their main sources of food and water subjected to heavy-metal poisoning.

### **No social licence**

I’m drawing the comparison between these two magnificent river systems because the mine proposed by the Chinese-owned Australian mining company PanAust that is preparing to build a gold and copper mine on the Sepik river system is as big, if not bigger than, Ok Tedi mine. The people of the Sepik fear for their future and their way of life. They know about the damage to the Fly River and its people and are deeply fearful that the Frieda mine is another Ok Tedi in the making. So far there has been minimal community consultation and the Sepik people consider the mine does not have a social licence to go ahead. We have a deep sense of shame that an Australian company recklessly inflicted damage on the Fly River and its people. The Sepik River is the lifeblood of its people. The children of the village we stayed with are healthy and vibrant. Their delight and laughter melted our hearts. Professor Tim Flannery says he cannot think of a worse place for a copper mine. Surely we cannot allow an ecological disaster to happen again.

### **Raise awareness**

To raise awareness and funds in support of the people of the Sepik we are holding an evening event *Tales of the Sepik River* in Mullumbimby on Saturday September 29 at 6.30pm. If you want to know more about this event email [raines@australis.net](mailto:raines@australis.net). If you want to know more about the people of the Sepik, and the Frieda mine, go to [Save the Sepik River and its people](#) on Facebook.

### **Axiom granted mining lease for Isabel nickel project in Solomon Islands**

Imelda Cotton, Small Caps, September 20, 2018

Axiom is now fully permitted to commence mining of the Isabel nickel project (San Jorge), with first shipment of ore expected in Q1 of 2019. Minerals explorer, via its 80%-owned subsidiary AxiomKB, has been formally granted a mining lease by the Solomon Islands government for the San Jorge nickel deposit, which sits within the company’s flagship Isabel nickel project. The 25-year lease has been issued for the extraction, export and sale of nickel ore and associated commodities from San Jorge and allows Axiom to commence construction at Isabel, with a view to commercial production in early 2019. In awarding the lease, Solomon Islands Minister for Mines, Energy and Rural Electrification Bradley Tovosia commented on Axiom’s contribution to the local region.

“The Isabel project is to be an important part of our economy, and it is exciting to see real production now moving forward for everyone’s benefit,” he said. Upgrades of a temporary exploration camp to a long-term mining camp have commenced, in addition to the construction of supporting

roads and loading facilities. Community consultations are also underway in preparation for the first shipment of ore. Financing for life of mine construction and development is in the advanced stages and due to be finalised over the coming weeks.



### **The Pacific's largest nickel deposit**

The Isabel nickel project is widely considered one of the largest nickel laterite deposits in the Pacific region, hosting a historical non-JORC deposit of 159 million tonnes at 1.1% nickel and 0.07% cobalt. It comprises a number of deposits within the Solomon Islands' Isabel province, including the key deposits of San Jorge and Kolosori, operated by AxiomKB (Axiom 80% ownership) in partnership with local landowners (20%). Both are spread over 36 square kilometres each, with San Jorge accounting for approximately 50% of the known deposits within the Isabel acreage. The deposits at San Jorge sit very close to the surface in uninhabited land along a shore which encompasses a natural deep water harbour – all qualities which will enable Axiom to bring a direct shipping of ore operation to the market in a timely and environmentally-acceptable way.

### **Project history**

Axiom's milestone signifies the first time in the Isabel nickel project's history that an owner has been granted a mining lease. Previous San Jorge tenement owner and former nickel major, Inco Ltd (now owned by Brazilian mining giant Vale) conducted feasibility studies during the 1970s based on results from over 7000 drill holes and pits and 10,000 samples. In 1991, Kaiser Engineers completed its own study on Inco's data, determining preliminary capital and operating expenditures and conducting economic analyses and financial modelling. Development by either owner did not progress further due to a failure to win the support of customary landowners from the Kolosori and Bungusule tribes.

In December 2010, Axiom's collaborative approach resulted in a partnership with the landowners and the Axiom KB joint venture was established. Then in September 2014, AxiomKB emerged successful after three years of litigation proceedings instigated by Sumitomo Mining Metals Solomon over the Isabel nickel deposit. Last month, Axiom announced it would be recruiting key positions and growing its board of directors to enhance its operational expertise and strengthen its position during the project's development. At midday, shares in Axiom were trading 34.02% higher at \$0.130.

## **Seabed exploration will remain an option for Wallis - scientists**

Radio New Zealand, 19 September 2018

French scientists visiting Wallis and Futuna say despite local rejection of more seabed exploration the question of underwater mining will remain. Concluding an information mission to the French territory, the delegates told local television that it is up to the French state and not the scientists if exploration resumes. They said there has been misinformation, pointing out that the territory's seabed has no rare earths as suggested but deposits of metals such as copper and lead. Last week, the traditional Futuna kingdoms of Sigave and Alo ruled out allowing any work related to seabed mining in their waters, saying their stance is final.

They said they had seen the negative impact of activities in French Polynesia and didn't want a repeat of them in Wallis and Futuna. At the beginning of this decade French teams carried out three exploratory missions in the territory's waters without consulting the local kings who are officially recognised by the French republic. The traditional leaders' view of what comprises their domain clashes with the law which grants France the control of its exclusive economic zone. Five years ago, the French Economic, Social and Environmental Council urged the government to secure resources in the seabed off France's overseas territories.

## **Pathway to remedy human rights abuses at Porgera mine identified**

Barrick Gold, September 2018



A new report commissioned by Barrick Gold has been published on the serious human rights situation at the Porgera mine. The report, by California based nonprofit BSR, reveals there is a backlog of more than 940 human rights cases registered, plus other victims who have not yet made their claims known. The report recommends Barrick needs to make a number of immediate fixes, address longer-term issues, and take preventative action to avoid future harms. BSR believes that addressing claims at these three levels is the only way to ensure a robust and sustainable approach to remedy.

Download **In Search of Justice Porgera Gold Mine**:

[https://ramumine.files.wordpress.com/2018/09/bsr\\_in\\_search\\_of\\_justice\\_porgera\\_gold\\_mine.pdf](https://ramumine.files.wordpress.com/2018/09/bsr_in_search_of_justice_porgera_gold_mine.pdf)

## **Ramu Nickel-Cobalt posts K113 million profit**

Post-Courier, September 18, 2018

A strong operating performance at the Ramu nickel and cobalt mine has enabled Highlands Pacific Ltd to report a net profit of US\$36.1 million (K113m) for the first six months to June 2018, This is up from US\$1.5 million for the prior corresponding half year. The company holds an 8.56 per cent

interest in the Ramu project, which generated earnings of US\$9.2 million for Highlands for the six months to June 2018, compared with US\$1.05 million in the previous June half. Ramu recorded an operational result, producing 17,370 tonnes of nickel and 1,644 tonnes of cobalt in the half year at the project level (100 per cent), which was well above plant design capacity and slightly up from 16,956 tonnes of nickel and 1,624 tonnes of cobalt in the prior corresponding six months.

Ramu earnings also benefited from higher commodity prices, with nickel rising 35 per cent to an average of US\$13,548/t in the half, and cobalt rising 85 per cent to an average of US\$88,461. This led to a 57 per cent increase in Highlands share of revenue at Ramu to US\$25.7 million. Operating expenses at Ramu meanwhile remained under tight control, leading to reduced unit costs and significantly higher margins with increasing commodity prices. This in turn was a major factor for the reversal of the previous impairment of the carrying value of US\$31.4 million. Highlands made repayments related to the Ramu project debt of US\$3.4 million during the half year, and after accrued interest of US\$3.0 million the total loan balance at June 30 was US\$114.9 million. This debt is expected to be fully repaid following the completion of a cobalt and nickel streaming transaction with Canadian battery metals company Cobalt27 Capital Corp, which was announced in May, 2018.

### **Resource agreements unfair: Haiveta**

Post-Courier, September 18, 2018

GULF Governor Chris Haiveta has told his people that current agreements for oil, gas and forestry were not negotiated in their favour. Delivering his independence message in Kerema last weekend, Mr Haiveta said he wants all agreements under the UBSA and LBSA re-visited and re-negotiated. He said he felt his people – the majority resource owners – had been short changed and robbed of their resources. Mr Haiveta and his people hosted Governor General Sir Bob Dadae over the Independence long weekend. He said: “Our province recognises that current resource agreements in oil and gas and forestry have not been negotiated in the province’s favour. “This has meant that essential and strategic infrastructure like ports, towns and roads in the project areas have not been built, leaving the province, Kikori district where the projects are located, particularly to miss out completely. “Therefore we are moving in this term of parliament to ensure that all these agreements are revisited and they are legally compliant and enforceable by all parties.

“We have resolved the UBSA and LBSA agreements including the Gulf landowners and Provincial Governments benefits from the existing Oil and LNG Pipeline to Caution Bay be re-negotiated.” He said that for the future, ‘we will ensure that resources agreements are properly negotiated and drafted to include all necessary and possible infrastructure needs for the project areas, including the upcoming LNG, coal mining, limestone, mineral sand mining and timber harvesting’. Mr Haiveta said: “We are glad the national government has started the process of devolution of powers from Waigani to provinces, and Gulf Province is poised to receive decentralisation of powers soon.

“As a step forward to this, we will be signing the Service Delivery Partnership Agreements soon which will pave the way for a synchronised delivery of services between the two open electorates and the provincial government.” He said his people have abundant renewable and non renewable natural resources both on the land and in the seas. “Our sea boundaries encompass an area that is twice our land mass, we have significant marine resources with reef systems such as Pocklington and Eastern Fields that remain unexplored commercially and for tourism. “We also have the largest prawn fishery in the country which is exploited directly from Port Moresby. “Our forestry industry composed from Port round logging exports brings little benefit to the province as it is a nationally controlled activity.”



## MP calls Solomons policy on extractive industries inadequate

Radio New Zealand, 18 September 2018



Photo: Supplied

The *Solomons Star* reported Aoke MP Mathew Wale saying the longer the inadequacies remain, the more resources the country and landowners will lose. Mr Wale has hit out at what he calls the "non-sense of a determined price mechanism", calling it "legalised corruption". He said he was surprised to hear during a Public Accounts meeting a few months ago when the Economic Reform Unit confirmed the price is negotiated with the industry. Mr Wale has questioned why the Unit does not use higher prices published by the Central Bank. He said if there were two price indices and one is considerably higher than there is a duty of care by the managers of the economy to opt to use the higher price.

## PNG police describe end of fights in Hela despite reported deaths

*The Hela provincial police commander in Papua New Guinea insists local tribal fighting has settled down.* Radio New Zealand, 17 September 2018



Young men brandishing bushknives are a common sight in Tari. Photo: RNZ / Johnny Blades



This is despite reports from the Highlands province that deadly fighting in the past ten days has killed three more people, including a student, in Puren. The commander, Martin Lakari, said the information may be mere speculation, adding that he hasn't received any report to suggest the deaths occurred. Dozens of deaths have been caused this year from tribal fighting in Hela, especially in and around its capital Tari. But according to Mr Lakari, deployment of extra defence force and police mobile officers to Hela has helped stem the fighting. "Everything is quiet. The tribal fight came to a standstill. No more tribal fights. The place is peaceful. I think Tari... all in all, overall general situation is quiet."

### **Cooks govt looking at seabed mining interest in Norway**

Radio New Zealand, 14 September 2018

The Cook Islands Deputy Prime Minister Mark Brown is currently in Norway discussing the possible exploration of seabed minerals in the Cook Islands waters. *The Cook Islands News* reports that manganese nodules found in the Cook Islands, lie on the seabed, at depths of more than 5000 metres.



Cook Islands Finance Minister Mark Brown Photo: Phillipa Webb / Cook Islands News

According to initial scientific studies, the nodules were of a very high quality and there is a large quantity on the seabed which could make the nation billions of dollars. Mr Brown said they would re-advertise the tenders as there had been some new interest in exploring the seabed. He added that all practices, including exploration and the extraction of the minerals, would have to be done in a manner which was [environmentally friendly and did not impact](#) negatively on the Cook Islands.

### **Futuna rejects seabed exploration and mining**

*The kingdoms on the French Pacific island of Futuna have ruled out allowing any work related to seabed mining in their waters, saying their stance is final.*

Radio New Zealand, 14 September 2018

The rejection of any further exploration of the seabed was expressed at a meeting in Futuna with French delegates sent to explain the potential of mining rare earths. The king of Sigave as well as a leader of the kingdom of Alo told local television that any discussion about land matters had to be held with the customary leadership and not with the assembly of Wallis and Futuna. They said they had seen the negative impact of activities in French Polynesia and didn't want a repeat of them in Wallis

and Futuna. At the beginning of this decade French teams carried out three exploratory missions in the territory's waters without consulting the local kings who are officially recognised by the French republic and on its payroll. The traditional leaders' view of what comprises their domain clashes with the law which grants France the control of its exclusive economic zone. Five years ago, the French Economic, Social and Environmental Council urged the government to secure resources in the seabed off France's overseas territories.



Photo: AFP



Sampling copper under the sea Photo: Nautilus Minerals

### **Wafi-Golpu plan to dump mine waste in sea queried**

The National, September 13, 2018

Salamaua LLG president Philemon Tomala has expressed concern about the plan to dump Wafi-Golpu mine tailings into Huon Gulf. He said that both Wafi-Golpu Joint Venture and Morobe government should spell out the effects of the tailings on the gulf, where people fish for their livelihood. It is also one of few places in the world where the endangered giant leatherback turtle nests.

“The mining company and Morobe government say it is safe to get this waste into the sea,” Tomala said. “From experiences we have seen, like Panguna mine and others, the people out there still have questions in their minds as to how safe the waste is, going onto the sea. “This is because our people’s livelihood is in the sea. “They go fishing to sustain their day-to-day living, but with this thing coming, we have a lot of questions Whether it is safe for marine life or not.”

### **To mine or not to mine, Bougainville’s big question**

BY FRANKLIN KOLMA, Post-Courier, September 12, 2018

A report furnished by an Australian humanitarian group has just been released detailing the many other ways that Bougainville could prosper post independence. Compiled by a handful of dedicated researchers and community workers attached to Jubilee Australia, the report titled, “Growing Bougainville’s Future: Choices for an Island and its People” examines the choices facing the people of Bougainville and asks the question ‘to mine or not to mine’? The report brings out the unspoken notion among the Bougainville populace that large-scale mining is the only developmental path for small soon to be independent island nation. It covers the positives of mining, but focuses on findings of alternative economic strategies other than extractive endeavors. Furthermore, it reflects on the possibilities and realities of an extractives-led development path for Bougainville and examines the availability of an alternative path concluding that alternatives to large-scale mining do exist and that many Bougainvilleans are already participating in and developing these alternatives.

Acting Executive Director of Jubilee Australia Christina Hill said yesterday that the report was long in coming but was worth the work and wait as it is an important document that contains information that could prove useful in decision making for Bougainville’s economic future. “Properly supported, innovative approaches that build on what is already done have the potential to support inclusive economic growth in Bougainville and with it increase government revenues.” “The reliance on extractive industry and mining particularly relating to the Panguna Mine is something that we hope this report will help to alleviate Bougainvilleans’ mindsets from,” said Ms Hill. The report identifies findings like that of land being of central importance to Bougainvilleans that must be considered in all decision making. Also highlighted in the document are findings that agriculture is the single most important source of livelihood and food that if encouraged and developed could prove to have economically transformative potential. Furthermore, the report is being published along with a short film titled, ‘Bougainville: Long Han Blong Yumi’. The film specifically made for Bougainvillean audiences exploring many of the same issues explored in the report.

### **RTG-led consortium meets Bougainville Gov’t over Panguna project**

Australian Mining, September 12, 2018

ASX-listed RTG Mining has presented its redevelopment proposal for the Panguna mine to the House of Representatives in Bougainville in a significant step forward for the project. RTG Mining is leading a consortium of local landowners in Bougainville, an autonomous region of Papua New Guinea (PNG), that is trying to win government support in order to restart operations at the mine, currently under consideration for redevelopment by Government-backed Bougainville Copper (BCL). The mine’s relaunch is a keystone of Bougainville’s upcoming plans for independence. The dormant Panguna copper mine, which has been abandoned since 1989 due to local conflicts, contributed roughly 40 per cent of PNG’s economy during the height of operation.

The consortium, led by landowners, presented its proposal last week to a number of representatives of the Bougainville Government and is currently developing a social licence to win further support.



This includes donations for the local Arawa hospital, school and education support, support for the Women’s Federation in Bougainville and sport sponsorship opportunities, including the local rugby sevens team, the Black Orchids. “This gesture of support by RTG is significant towards our efforts to compliment our ABG Government including all stakeholders on Bougainville working towards a united and peaceful Bougainville,” said Peter Tsiamalili, Autonomous Bougainville Rugby president.



**‘Reform PNG’s Resource Ownership Laws’**  
 Henzy Yakham, Post-Courier, September 12, 2018



The conversation on ownership of natural resources has intensified in recent times with the issue moved from the simmer-back to hot-and the front-burner. In the forefront and pressing for revolutionary reforms in the resource ownership regime are two of PNG’s founding statesmen – Sir Julius Chan and Sir Mekere Morauta. Both Sir Julius and Sir Mekere played very significant roles during pre-independence years as architects to craft the foundations of PNG’s currency, banking and financial institutions, which in succeeding years underwent further reforms to improve their service delivery. Today, the two former prime ministers are calling for changes to the resource ownership

laws so that the original inhabitants of land and sea where the natural resources are found have fair and equitable benefits.

In November 2013, despite not attending a Madang meeting of governors from maritime provinces due to prior confirmed official engagements, Sir Julius provided a brief paper to his colleagues on the development of PNG's extractive industries, ownership of natural resources and related issues. Included in the brief was Sir Julius' stance that land/resource owners' rights to own natural resources on and under their land and sea as his proposed remedies in the mining industry. The brief highlighted a number of aspects in which PNG has failed to structure the mining industry for maximum value to PNG and its citizens. With the brief were comparisons of mineral royalty rates of PNG (which are among the lowest in the world), and other countries which include:

Poland: 10 per cent contained metal value

Ghana: 3 -12 per cent sliding with price

Canada: 15 per cent (British Columbia) taxable income; 18 per cent (Ontario) of taxable income 20 per cent; (Quebec) of taxable income

Mozambique: 10 -12 per cent diamond; 5-8 per cent precious metals

Mexico: 8 per cent gold

Botswana: 10 per cent diamonds; 5 per cent precious metals

United States: 12.5 – 16 per cent Oil; 8 – 20 per cent precious metals

Papua New Guinea: 2 per cent gold; 2 per cent copper

Sir Julius maintains that PNG's mining regime is grossly distorted and unfair because billions of kina are earned, but the real land, and resources owners simply do not realise their fair share of the benefits. In a nutshell, he has been pushing for among others:

- Royalties raised to 10 per cent f.o.b. annual revenues;
- SSG raised to 10 per cent f.o.b. annual revenues and SSG payments should be made directly from the company to the province;
- Tax Credit raised to 10 per cent of assessable income and funds should be placed in an account the year of eligibility with no time limit on the use of funds;
- The State receive at least 30 per cent equity in all mining projects free of charge, and should convey a significant portion of this equity to the province, the LLG and the landowners;
- Twenty per cent (20 per cent) of all royalties, special support grants, tax credit and dividends from equity holdings be placed in a separate account to be used for development projects in non-mining provinces; and
- The Mining Act 1992 be comprehensively reviewed and amended, specifically such that ownership of all minerals on and below the sea is vested in the province in whose waters minerals are located.

PNG's Mining Act 1992, states that all minerals existing on, in, or below the surface of any land in PNG, water lying in any land in PNG, are the property of the State. During colonial rule, the mining and petroleum laws of PNG were adopted based on Australian precedents, giving the powers of ownership of resources in the Administrator. Under the common law of England, minerals belong to the owner of the land under which they are found. The British Common Law, inherited by Australian colonies upon white settlement, included a presumption that the owner of the land is entitled to all that lies above and below the surface. Natural resources such as minerals were regarded as part of the land in which they naturally occurred and accordingly passed into private ownership upon Crown grant of the land. Despite these arguments, in the end the Australian Statutory Law in place during colonial times prevailed over both PNG law and British Common Law, this was formalised in the Mining Act 1992. However, it is very clear that State ownership violates both traditional PNG law and British Common Law.



In April 2013, Sir Julius told the Parliamentary Referral Committee on Minerals and Energy inquiry into the review of Mining Act 1992 that under current laws, PNG simply gives away all its wealth and then buys it back at an exorbitant price. On August 19, 2013, Sir Julius was the Keynote Speaker at the Department of Mineral Policy and Geohazards Management (DMPGM) organised regional consultation meetings in Kokopo, East New Britain Province on the proposed changes to Mining Act 1992. There, he outlined the way in which the mining regime in PNG has failed the people and the way it should be changed for the greater benefit of the people and provinces. On May 14, 2009, Sir Julius proposed reforms in natural resource ownership laws in a motion tabled in Parliament. The underlying intention of the motion was for the transfer of the resource ownership to landowners of where the resources are found. As well, the motion proposes for increased benefits for landowners, provincial governments and the country in general.

Sir Julius argues that as a direct consequence of the arrogation of all mineral, oil and gas reserves on land and below the land and sea by the State have been a massive give-away of the national wealth of PNG. On September 4, 2018, Sir Mekere asked Prime Minister Peter O’Neill a series of questions based on important national issues raised by Sir Julius in his reply to the inaugural address of the Governor General in opening this Parliament. Sir Mekere prefaced his question to Mr O’Neill by quoting Sir Julius “to remember that in our democracy the final power is the power of the people. We are here for one reason only – to serve the people”. “I want to take a wider view of the challenges we face. For though we have some short-term problems to tackle, I fear there are even more grave problems looming over us. “I have never known a time when our country was in greater peril.” After quoting Sir Julius, Sir Mekere asked Mr O’Neill what the government position on Sir Julius’ recommendations among others to:

- Increase the level of royalties from the current 2 per cent to 10 per cent;
- Increase the level of Special Support Grant and the Tax Credit Scheme;
- Establish a Trust Fund in which 20 per cent of revenues of mining provinces would be paid to distribute to non-mining provinces;
- Revise the Mining Act 1992 and the Oil and Gas Act 1998 to vest ownership of resources in the people;
- Introduce a Derivation Grant for mining and petroleum provinces of 5 per cent of the value of resources originating in that province;
- Increase Autonomy of Provinces, provinces “that demonstrate capacity to manage their own affairs. The autonomy was to cover administrative and financial autonomy and autonomy over non-renewable and renewable resources.

Answering Sir Mekere’s questions, Mr O’Neill said “the Mining Act is under review at present and I will not pre-empt the discussions and the outcomes of that review that is taking place. “The Mining Minister and his team are already well advanced in those discussions. There will be an opportunity for this Parliament to look through that review and the new Mining Act, which will address all these issues, including royalties, the powers of the provinces with respect to the mining activities in those provinces and the management of the trust funds. “There has been a gross abuse in the management of some of the trust funds and we are all aware and are trying to correct that as we move forward. “I can assure you, that the people of Papua New Guinea, particularly the landowners will get a better share of the benefits of the resource development in this country. “That is the priority of this government and we will continue to pursue it through the mining review which is now being conducted and is still continuing.”

## **Mining law changes to give landowners better share of the benefits: O'Neill**

September 11, 2018 The National National

PRIME Minister Peter O'Neill says the people and landowners will get a better share of the benefits of resources developments with the review of the Mining Act currently underway. "There has been gross abuse in the management of some of those trust funds of which we are all well aware of. We are trying to correct that as we move forward. I can assure you that the people and the landowners in particular will get a better share of the benefits of resources developments in this country," O'Neill said. "That is the priority of this Government and we will continue to pursue that through the mining review. "The priority of the Government is to correct that as we move forward. "The Mining Act is under review and I will not pre-empt the discussions and the outcomes of the review. "The Mining Minister and his team are pretty well advanced in those discussions. And there will be an opportunity for this parliament to look through its review and the new Mining Act which will address all these including royalty and the powers of provinces in respect of the mining activities and the management of those trust funds."

## **African Rainbow Minerals considers Wafi-Golpu buy**

*Since selling the jointly held Lubambe operation in Zambia, ARM is still scouting for copper opportunities.* Alan Seccombe, Business Day, 10 September 2018

African Rainbow Minerals (ARM) is assessing the undeveloped Wafi-Golpu copper and gold deposit half-owned by Harmony Gold, but the diversified miner's executives declined to be drawn on any further details on its copper strategy. Since selling the jointly held Lubambe operation in Zambia, ARM is still scouting for copper opportunities, with much speculation in the market that the company could join Harmony, in which it holds a 14% stake, in the multibillion-rand investment in Papua New Guinea in the large Wafi-Golpu project.



Capital move: Patrice Motsepe's Batho Bonke stuck with Sanlam after its agreement matured and he is now expanding his footprint with African Rainbow Capital. Arnold Pronto

However, analysts remain cautious about any investment ARM could make in growth through mergers & acquisitions, particularly now that the company has swung to a net cash position of R995m in the year ended June from net debt of R1.3bn a year earlier. Johann Pretorius, an analyst with Renaissance Capital, asked ARM executive chair Patrice Motsepe and CEO Mike Schmidt at an annual results presentation on Friday for assurance that the company would not make a bad investment decision now that it is generating strong cash flow. "The bigger concern is that ARM might decide to invest this money in what could be a value-destructive project or acquisition," Pretorius said,

pointing out investors said they want clarity on a dividend policy. Motsepe said greenfield developments, or building brand new mines, are not on the cards for ARM.

He said: "We are looking at some very exciting growth opportunities. Our balance sheet is in a very good position ... greenfield, brownfield is not for us. Whether a transaction is value accretive or destructive, the shareholders will decide. They will punish you if you do a transaction that destroys value." Schmidt said that ARM is actively looking at potential copper investments and the Wafi-Golpu deposit shared by Harmony and its Australian partner Newcrest Mining, is one that is being assessed. "Wafi has a strong credit in terms of copper and gold and it's one that we do assess. We are a shareholder in Harmony and they speak to us on where they stand and intend doing on a continual basis," he said. Harmony needs about R21.5bn for its half of the \$2.825bn tag to develop Wafi-Golpu and its CEO, Peter Steenkamp, has spoken of investigating various funding options.

### **Landowners oppose Sinivit mine reopening**

Hosea Kaelam, 9 September 2018



Pollution from the mothballed Sinivit gold mine

In respond to the news [politicians want the Sinivit gold mine reopened](#), we the principle landowners of the Uramat Incorporated Land Group opposes the idea of the ENB leaders until all the environmental issues are addressed. Also the leaders are not utilizing the ILG'S set out by the National Government as per Land Amendment Act (2009) in negotiating development in the customary land. We the people of the Uramat ILG are against the leaders idea of re opening the mine. There should be compensation first the landowners for all the chemical pollution. As per the environmental report the treatment pond for cyanide and other chemicals used at the mine contained 20 parts per million of chemicals while the vats contain 20 parts per million as well. This is very high concentration and people's life are at risk. The permitted safe environment content is 5 parts per million. This is a slap on the face for state agencies to neglect this issue as if there is no government for the people. Yet leaders are pushing for the re opening of the mine without the consent of the indigenous customary and registered and gazetted land group. Let us solve the environmental issue but the mine won't be re open

### **Tiefseebergbau hinterlässt tiefe Narben -Massiver Artenverlust 26 Jahre nach Abbau nachgewiesen**

Judith Jördens Pressestelle, Senckenberg Forschungsinstitut und Naturmuseen, 07.09.2018

Gemeinsam mit einem internationalen Team haben Senckenberg-Wissenschaftlerinnen die Auswirkungen von Tiefseebergbau – wie den Abbau von Manganknollen – auf die Artenvielfalt am Mee-

resboden untersucht. Sie zeigen, dass auch 26 Jahre nach dem Abbau ein erheblicher Verlust bodenlebender Organismen zu verzeichnen ist. Insbesondere filtrierende Tiere sind betroffen – über zwei Jahrzehnte nach dem Abbau bleiben knapp 80 Prozent dieser Arten verschwunden. Die Studie erschien kürzlich im Fachjournal „Biogeosciences“.

Das Bergbau Spuren hinterlässt ist selbstverständlich – das gilt auch für den Abbau von Rohstoffen am Meeresboden. „Es gibt belastbare Studien, die zeigen, dass sich beispielsweise der Abbau von Manganknollen negativ auf das Tiefsee-Leben auswirkt“, erläutert Dr. Lidia Lins vom Senckenberg Forschungsinstitut in Frankfurt und fährt fort: „Ob und wann sich die Tiere wieder von dem Eingriff erholen, ist aber noch weitestgehend unerforscht.“

Die Zweitautorin der kürzlich erschienenen Studie hat daher mit einem internationalen Team die Auswirkungen des "DISturbance and reCOLonization (DISCOL)"-Experiments auf bodenlebende Tiefsee-Organismen untersucht. Während der 1989 beginnenden wissenschaftlichen Versuchsreihe wurden 22 Prozent eines insgesamt 10,8 Quadratkilometer großen manganknollenreichen Gebietes im südöstlichen Pazifik mit schwerem Gerät umgepflügt. Das Areal wurde einen Monat, sechs Monate, drei, sieben und 26 Jahre nach der Störung erneut untersucht, um die Vielfalt der Makro- und Megafauna und die Fischhäufigkeit zu beurteilen. „Wir haben diese einzigartige Zeitreihe aus der Tiefsee genutzt, um Nahrungskreisläufe für karbonatproduzierende und -fressende Organismen zu entwickeln. Aus diesen können wir dann ableiten, welche Auswirkungen das Umgraben des Meeresbodens innerhalb und außerhalb des gepflügten Bereiches hat“, erklärt Lins.

Die Ergebnisse sind besorgniserregend: Sogar noch 26 Jahre nach dem Experiment lag die Gesamtmasse von kalkbildenden Organismen innerhalb des gestörten Bereiches 54 Prozent unterhalb der Masse außerhalb des Gebietes. Am wenigsten betroffen waren dabei die auf dem Meeresboden fressenden Organismen – sie verzeichneten einen Verlust von 2,6 Prozent. „Die filtrierende und suspensionsfressende Fauna hat es umso härter getroffen. Hier gibt es knapp 80 Prozent weniger Aktivität“, ergänzt Lins und fügt hinzu: „Wir konnten zeigen, dass sich die Ökosysteme in der Tiefsee nur sehr langsam von Eingriffen erholen – fast 30 Jahre nach einer vergleichsweise kleinen Störung ist gerade mal die Hälfte an Leben in das Gebiet zurückgekehrt. Wir plädieren daher für Schutzzonen in den Ozeanen!“

## PNG Yet To Sign Global Treaty On Mercury

Post Courier, September 7, 2018

### Mercury Poisoning

Exposure : High toxicity: **mercurialism**



#### Acrodynia ('Pink Disease')

- Pain
- Pink discolouration



#### Minamata Disease

- Ataxia
- Impairment of speech & hearing





PNG is yet to become a signatory to the Minamata Convention on mercury, a global treaty designed to protect human health and environment from the adverse impacts of mercury and its compounds. The objective of the Minamata initial assessment project is to ratify and implement the convention on mercury, facilitated by use of scientific knowledge and tools by stakeholders in the country. However, PNG is working to be a party to the convention next year by implementing the development of MIA project. In a presentation at the alluvial mining convention in August in Lae, Patricia Torea of PNG Conservation and Environment Protection Authority said the articles of the convention cover provisions that relate to the entire-life cycle of mercury. “This includes control and reductions across a range of products, processes and industries where mercury is used, released or emitted. The convention also addresses the direct mining of mercury, export and import, safe storage and its disposal once as waste,” she said.

The MIA project is currently undertaking an in-depth assessment of the management and monitoring of mercury and mercury compounds to enable the government to identify the needs and requirements of the obligations of the convention. The MIA progress includes establishment of a national coordination committee; report for the assessment on the institutional capacity and legal framework with regards to use and management of mercury in PNG and development of a national inventory of mercury releases. The challenges are that information or data on mercury is not readily available; and stakeholder participation is poor with regards to providing data or information on mercury in PNG.

The future activities focuses on development of draft regulations for mercury, identifying opportunities, challenges under the minamata convention and development of an awareness raising strategy. The project is expected to be completed next year. With the convention entering into force in 2017, the global supply of mercury will decrease over time. Named after a city in Japan which lost almost 2000 lives due to mercury (Hg) poisoning in 1950. The convention opened for signatures on October 13, 2013 in Japan. It entered into force on August 16, 2017, held its first conference of the parties last September and by August 10, this year, had 128 signatories and 95 parties.

### **Hides PDL 7 landowners thank govt, agencies**

Post-Courier, September 7, 2018

THE National Government has been acknowledged for honouring some of the demands of the PNG LNG project landowners within a short period of time. The landowner leaders of Hides PDL 7 said credit must also go to people and government partner agencies. The leaders, led by Hides 4 Umbrella Association chairman Chris Payabe, chairman of Hides Special Purpose Authority Andy Hama-ga, Patrick Talu, John Kaloma, Ega Yale, Endos Ajagali, Eric Haroli and Willie Ajule said in a statement that so far, the State had honoured five of the demands in a petition they submitted in 2016. The leaders said in August 2016, the landowners, led by the 7 landowner leaders and signatories to the PNG LNG umbrella based benefit sharing agreement and the licence based benefit sharing agreement of 2009, forced the Hides PNG LNG conditioning plans and the other LNG facilities to shut down to get the government’s attention.

They said given the two-week closure, the State team led by managing director of Mineral Resources Authority Augustine Mano, that included the then Minister for Petroleum Nixon Duban, Secretary for Petroleum David Manau and Kumul Petroleum Holdings Limited’s Wapu Sonk flew into Hides and met with the landowners. They said in the meeting, 21 demands were given to the state and a memorandum of understanding was signed which was then endorsed by the National Executive Council. They said within a period of two years, about five of their demands were honoured which included the creation of the special purpose authority, the release of K15 million for project security, the construction of the Halimbu-Komo road, the water supply and electrification

projects for the landowners. They said the clan vetting demand was also honoured when the state allocated K3 million for the conclusion of the process which is yet to be concluded.

“So far, we thank the state and its agencies for honouring our demands. We also believe that the Government would honour other outstanding commitments when the landowner beneficiary identification process is completed,” they said. The landowner leaders said the PNG LNG project security will be guaranteed led by the seven leaders and the SPA would protect the project at all costs. They called on the government agencies to deal with the SPA and not individual landowners until the clan vetting process is complete. A K15 million projects security was funded and prioritised for churches, the LLG, the clans, the blocks, the facility owners, individual leaders and the service providers. They said the costs to pay the service providers are bills that had been incurred by the landowners for the two and half years in which they were fighting over the money.

### **Scientists to explain seabed mineral wealth to Wallis and Futuna communities**

Radio New Zealand, 7 September 2018

A delegation of French scientists is due in Wallis and Futuna to explain to locals the significance of rare earths which are found off their islands. The team, led by scientists of the IRD institute, includes anthropologists and sociolinguists who are to chart views on the possible impact of mining the minerals.



Sampling copper under the sea Photo: Nautilus Minerals

The visit comes after traditional leaders expressed reservations about plans to sell off their resources. The French prefect has told local television that the team will present information to gauge if the people of Wallis and Futuna agree with exploration plans. He says they will detail the legal and environmental implications of any activity after which he says the local leaders will express themselves. The team is scheduled to spend 11 days in the territory. Five years ago, the French Economic, Social and Environmental Council urged the government to secure resources in the seabed off France's overseas territories.

## *Letter to the editor*

### **10th Supplementary Agreement Act**

Post-Courier, September 4, 2018

I am calling on the government to repeal the Tenth Supplement Agreement Act. The Act that was passed in Parliament in 2013, which the government expropriated (PNG-SDP) company, has caused the people of Western Province to lose the ownership rights over PNGSDP company in the years to come. In the perspective of the rights theory, the rights of the people have been abused and neglected. People's rights are held to be natural rights that constitute human dignity. The key statements of rights supporting our appeal are the US Constitution (1787), the United Nations' Universal Declaration of Human Rights (United Nations 1948) and the Charter of Fundamental Rights of the European Union (European Convention 2000). Obviously the statements are allowing Western Province to get the ownership over (PNGSDP) from the government. In the process the government didn't realised that their action or social arrangements are termed just; had caused basic negative effects on the people. This has allowed the inequalities, basic freedoms were not realised to the same degree for everyone affected by the decision.

The social and economic inequalities arrangements are to the lowest benefit, and can't provide equality of opportunity for the province to advance in the economic and social standing. This has particular application to the key sustainability issue of intergenerational equity. PNGSDP (52 per cent equity) BHP Billiton's 52 per cent equity was transferred to PNG-SDP company, in return for indemnity from future pollution liability. This means, what BHP Billiton gave to Western Province is an insurance against legal responsibility for its actions. Based on the rights theory concept, the people of Western Province have natural rights over this concerned aspect of shareholdings in Ok Tedi mine regardless of laws imposed by any party will not deprive their rights. The Act put in place, has created neither positive nor negative impact without obviously realising the future it will bring for the people on this caption matter, which may be a drastic trend to absolute life threatening situation for the Western Province people.

We've been played: We've been led to believe that happiness and security were waiting for us if only we did as we were told. If only we followed the path laid out for us, we'd be okay. But surveys show 100 per cent of our rights over the benefits of what belongs to us is abused and neglected. In the economy arrangements and social standing, there is inequality as a common practice. To be deceptive about this notion, it's devoid of meaning when our natural rights is not considered when making decisions. The PNG government has failed a lot in making decisions, and most decisions were not made in the best interest of the people. Worse of all, massive loans are one of the only unforgiven debts in this country, so even if you file bankruptcy, you can't have them wiped clean. It's no wonder that a new report from the McKinsey Global Institute, "Children will be poorer than their parents in future." To put it bluntly: Those who had been taught to expect their wealth to grow through as long as they obediently follow society's path of chose, have learned that this promise is a lie. And you know what? This is not your fault. We've all been played. But it is our responsibility to do something about it and guarantee that my people and I will not be played anymore. **Arago**

### **Churches want to ban seabed mining**

*THE PNG Council of Churches has called for a total ban on seabed mining in the country.*

BY BENNY GETENG, Post-Courier, September 4, 2018

THE PNG Council of Churches has called for a total ban on seabed mining in the country. The Council of Churches representatives from the United, Anglican, Catholic, Lutheran, Salvation Army, Seventh Day Adventist, Evangelical Alliance Church of Manus, Baptist and Body of Christ

made their stance known after considering the seriousness of the activity on the seabed. The representatives said in a joint statement that the seabed mining will only bring destruction to the ocean life; and people are being forced by developed industrialised countries to go along. “The world is watching PNG and it will be a joke to the world if PNG says yes to this destructive monster in the absence of a relevant national policy and legislative framework on off-shore seabed mining.

“Following the Madang Guidelines concluded in 1999, we call on the National Government to ensure a separate policy and legislation is developed before off-shore mining including deep seabed mining activities is commenced in the country,” they said. The representatives said the government should also clarify to the churches and the people of PNG as to what consultation processes have been undertaken to develop relevant policy and legislation governing off-shore mining. Extractive Industries Transparency Initiative reports have highlighted that PNG is not getting its fair share of resource revenue and as such the churches have expressed concern that the States equity participation in the Solwara 1 project will be a waste of taxpayers’ money.

“We call on the government to be more focused on people development rather than profit development when making crucial decisions. “The government must consult the people, ensuring citizens and the public are aware of the benefits and the negative impacts of these developments and allow them to make informed decisions on what the people think is best for them,” they said. Nautilus Minerals Company is the developer of the Solwara 1 project located in the Bismarck Sea which will cover provinces such as New Ireland and East New Britain. The National Government had obtained a loan of K400 million in 2014 from Bank South Pacific to acquire 15 per cent equity in the project.

### **New Caledonia's Neaoutyine hits out at SLN**

*The president of New Caledonia's northern province has hit out at the SLN nickel mining company over the closure of the Kouaoua site.*

Radio New Zealand, 4 September 2018



New Caledonian pro-independence leader, Paul Neaoutyine Photo: AFP/Lionel Bonaventure

The mine has been blocked for a month, prompting SLN to shut it while blaming the provincial government for the stop. Paul Neaoutyine said he asked for a halt to mining last week to prevent a serious situation from deteriorating and to allow for a dialogue to defuse the tension. He said SLN was wrong to claim that his intervention put SLN's survival at risk. Mr Neaoutyine said in this age it was no longer possible to exploit a site while ignoring the population and even less so by then signing a separate deal with some customary leaders. He said SLN was prone to blackmailing New Caledonia and was now the victim of its inability to take into account the people near and around the mining site.



## **New Caledonia nickel company halts expansion - reports**

*Reports from New Caledonia say the SLN nickel company has acceded to instructions by the northern province to halt its mining expansion plans in Kouaoua.*

Radio New Zealand, 3 September 2018



Photo: RNZ / Johnny Blades

The site has been blockaded for nearly a month, which prompted SLN to stop all operations and deploy staff elsewhere. In view of the conflict, the northern province asked for a suspension of the plans. SLN had been given the consent to expand mining by local elders but a group of dozens of protesters objected, citing environmental concerns. The Kouaoua mine produces about 600,000 tons of nickel ore a year, accounting for about 20 percent of the ore used by the SLN smelter in Noumea. The mining expansion was expected to almost double the share of ore which Kouaoua provides for SLN. French-mediated talks have been held between the elders and the protesters, but the impasse continues. More talks are expected in the days to come.