



MRDC

TOKAUT

*Custodians
of tomorrow*

MRDC Tokaut | JUNE EDITION 2018

Star Mountain Plaza will be ready for APEC



MRDC MD Augustine Mano, APEC CEO Christopher Hawkins, Stratum Development Manager Greg McCarthy and APEC Minister & Member for Moresby South Justin Tkatchenko during the tour of the Star Mountain Plaza.



PNG's Star Mountain Plaza, which will host leaders from around the world at the APEC forum, is expected to open ahead of its planned schedule according to developers.

The landmark Star Mountain Plaza conference, accommodation and retail development is a multi-use facility, designed to help PNG attract more overseas visitors in future.

Mineral Resource Development Companies (MRDC) Managing Director Augustine Mano says construction of the venue is now expected to be completed in September - two months prior to the start of APEC.

Mr Mano says the project is on schedule due to the efforts of the 800 local workers who have worked

in shifts 24 hours a day to ensure its early completion.

This workforce is expected to increase by a further 200 over the next six weeks as the company enters the next stage of construction.

"It has been truly humbling to see the passion and national pride that our local workforce has brought to this project. Their dedication has helped us bring to life a project which will showcase the best of PNG to the world's leaders later this year," he says

Mr Mano made the comments during an onsite event with local press and stakeholders who also had the opportunity to tour the venue, hear about the next phase of construction and confirmation that the contract for the second stage of the resort development had been signed.

Stage two of Star Mountain Plaza will include the construction of 160 apartments, retail, hospitality and commercial space to future strengthen the Star Mountain plaza proposition.

Mr Mano says in addition to the conference venue the introduction of the Hilton Hotel brand to the PNG market marks a coming of age for the nation.

"The opening of the 212 room Hilton Port Moresby will have wide ranging and long term benefits for the country.

"The first guests will be welcomed at the hotel soon after the construction is completed," he says.

Data from independent reports project the Star Mountain Plaza development to bring in millions of Kina in tourism revenue and other economic benefits.

"We are creating a legacy asset for future generations of Papua New Guineans. Along with the economic benefits of building the convention Centre itself, we have also had the chance to train the local workforce in a wide variety of trades - something that will benefit the community for years to come," he says.

Mr Mano says the development has overcome a shortage of skilled local labour by introducing onsite training programmes for its workers and has set a new benchmark for workplace health and safety standards.

"This has been a model construction project by international standards. We wanted to demonstrate how projects should be run and wanted to ensure that Star Mountain Plaza was not only

Continued on page 2

Managing Director's Message



MRDC Managing Director - Augustine Mano

Welcome to the second quarter edition of the MRDC Tokaut in which we bring you updates that we hope will uplift spirits after the tragic deaths of many of our countrymen in the earthquake that struck our nation in the first quarter.

We sympathise with families and friends of those who died in the natural disaster and we pray that they find the strength to carry on. The forthcoming months are crucial for the country as we prepare to host, in a first, 21 world leaders at the 30th Asia Pacific Economic Cooperation (APEC) Forum in November. We need to ensure all preparatory aspects are covered, thus the recent announcement by developers that the Star Mountain

Plaza will be opened well before the forum, is welcomed news.

During the APEC, our Prime Minister Peter O'Neill will be meeting with leaders from Australia, Brunei, Canada, Indonesia, Japan, South Korea, Malaysia, New Zealand, Philippines, Singapore, Thailand, United States, Taiwan, Hong Kong, China, Mexico, Chile, Peru, Russia, and Vietnam. As first-time hosts, it is important that we give the visiting leaders a forum to remember, and that is something we envisioned when MRDC deliberated and outlined plans for the construction of the plaza during its construction and post-construction. Post-forum we anticipate the plaza and its facilities to generate millions in tourism revenue and bring with it other economic benefits for the country. More on this, and a brief on the construction progress can be found on pages 1, 2, with a spread on pages 7 and 8. On page 5, is the renovation of the Hohola police station by Star Mountain Plaza Limited in preparation for the forum.

During the quarter, MRDC through its subsidiary company, Petroleum Resources Gobe (PRG) Community Infrastructure Fund (CITF) sparked light of happiness in the lives of Kagua Secondary School students with the provision of a generator, providing light and electricity for students after a 20-year long wait. This allowed them to extend their school study hours into the evening as well as make use of their science laboratories and light

up students' dormitories and teachers' quarters. This is featured on page 4. Funds acquired from the CITF also made possible the opening of a double story classroom building for Rearea Primary School and a new community ambulance to service the four PNG LNG Plant site villages in Central Province. This is featured on page 6.

On page 3, MRDC joined the Community Relations (CR) team to raise awareness on its operations, functions and beneficiaries to landowners. On page 9 is a brief regarding our joining the PNG Extractives Industry Transparency Initiative (PNG EITI) MSG. We also welcomed our new ICT Manager Kametan Sibunakau this quarter. In the Tech Talk section on page 10, we provide an update on the Muruk-2 Exploration Well.

MRDC does not only commit to improving our children's education, we also believe in developing our current employees' such as grade 10 drop-out James Debela who defied the odds and a hard life to return to school very late to acquire his year 12 certificate. Debela's account is featured on page 11. In our sports, MRDC committed K30,000 to the inaugural Agiru Memorial Cup and K10,000 towards the Kairuku/Hiri netball tournament.

Until the next issue of the Tokaut, take care.

Star Mountain Plaza will be ready for APEC

Continued from page 1

known for its economic benefits to the country, but also its social contribution," he says.

Workers employed by the company have had free access to healthcare which included vision testing and free glasses for themselves and family members.

"Our hospital screening programme identified almost half of our workers

needed prescription lenses for previously undiagnosed vision conditions. By providing them with free glasses we have helped provide a safer workplace environment for them and their colleagues," he says.

Other workplace benefits included the provision of three catered meals daily, unlimited bottled water and the supply of electrolyte supplements to prevent dehydration. Staff were also offered immediate access to private hospital care paid for by the company.

The completed project will feature over 5600m² of planting, 566m² of artificial turf, water features and hard landscaping more than 12,000 examples of PNG's flora, planted in one of the nation's largest ever landscaping projects of its kind.

Mr Mano says it aims to showcase the nation's rich natural flora in the middle of Port Moresby to world leaders, business leaders and other international visitors for years to come.

MRDC joins awareness drive in CMCA region and mine villages



MRDC Tabubil-based officer Alex Wapia addressing the landowners



The Mineral Resources Development Company (MRDC) joined the Community Relations (CR) team to conduct awareness in the Community Mine Continuation Agreement (CMCA) region and Mine Villages in Western Province.

The CR team comprised of Ok Tedi Mine Limited (OTML) CR officers, police, Mineral Resources Community Mine Continuation Agreement (MRCMCA) Chairman Mr James Assan, lands officers from Port Moresby, provincial government and MRDC representative Alex Wapia.

Two awareness patrols were conducted, one river base patrol

addressing the impacted villages in the waterways and the second one was land based addressing villages inland. A total of 84 villages in the South and Middle Fly CMCA were visited and a total of 68 villages were visited in the North Fly including the mine villages. Four other villages unfortunately did not get the information and awareness needed due to lack of quorum.

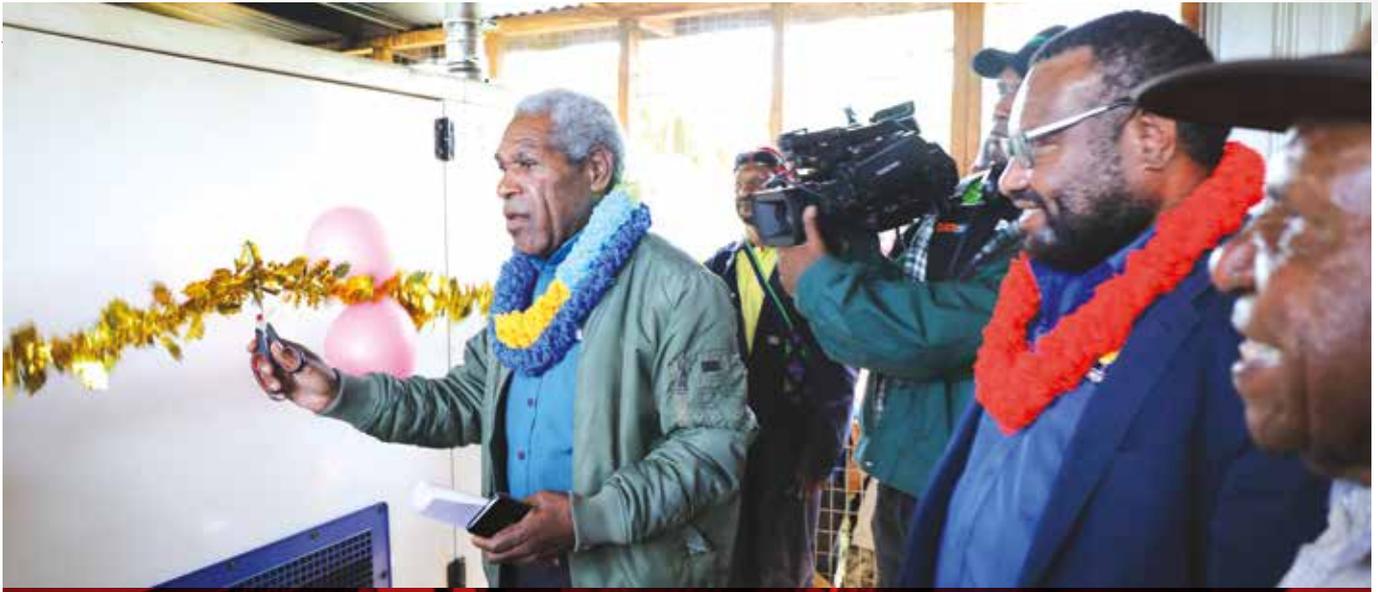
As the trustee of the people's interest in the Ok Tedi Mine, MRDC joined the team to conduct awareness on its operations and primary functions, on the 33% shareholding of OTML, and how the landowners will benefit in line with the new developments emerging within the OTML project. Furthermore,

MRDC had the opportunity to address issues or community complaints and correct misleading information.

Wapia had the opportunity to educate the people on the dividends of MRCMCAH and MRSM, share transfer of MRCMCAH and MRSM, IRC Stamp Duty (Tax), board directors and how directors are elected and their responsibilities. He also enlightened them on the Constitution and Trust Deed, investments and the purpose and function of the Tabubil office.

The communities were pleased with the update particularly on how the Ok Tedi Mine Project will benefit them.

Light at the end of the tunnel



PRG Chairman Mr Philip Kende cuts the ribbon to commission the generator. MRDC MD Mr Augustine Mano and Kagua School board chairman Mr Yano Belo looks on

Students of Kagua Secondary School experienced a spark of happiness in anticipation of the opportunities at their grasp via Mineral Resources Development Company's provision of a generator to the school.

MRDC's provision of power and energy to the school brings to an end their long wait in the dark for almost 20 years.

"MRDC has provided the light at the end of the tunnel," school principal Kita Yambi said as the school received a 165 kva generator through MRDC subsidiary company Petroleum Resources Gobe (PRG).

One of the oldest schools in the province, Kagua has been out of power for close to 20 years and as a result the school has lagged behind in school work because of inadequate school material and facilities particularly not having electricity to power up the mass, dormitories, teachers' houses and the science laboratory. Students and teachers would resort to candles and kerosene lamps for light to do their studies in the evenings.

"Mipla gat bigpla hamamas, displa kain sumtin mipla expectim national government na provincial government lo kam helpim mipla reskiem displa skul tasol MRDC kam na mipla hamamas. Ol sumatin bai sleep na study lo lait," Mr Yambi said.

The commissioning of the generator took place on 3 June at the school during a small but significant ceremony



165 kva generator

attended by MRDC Managing Director (MD) Augustine Mano, PRG Chairman Philip Kende, MRDC Chief Operation Officer (COO) John Tuaim, former Member of Parliament for Kagua Erave and school board chairman Yano Belo with the school staff, students and the Kagua community.

"I have built classrooms and other things in other areas but only in Kagua, I gave you all power. It's symbolic, because with power you can do anything and everything," Mr Mano said.

He said the company's decision to donate to Kagua was because most children from Erave and the Gobe Oil Fields were educated at the school.

PRG Chairman Philip Kende congratulated the school especially the teachers for their commitment to produce and address the country's human resource needs.

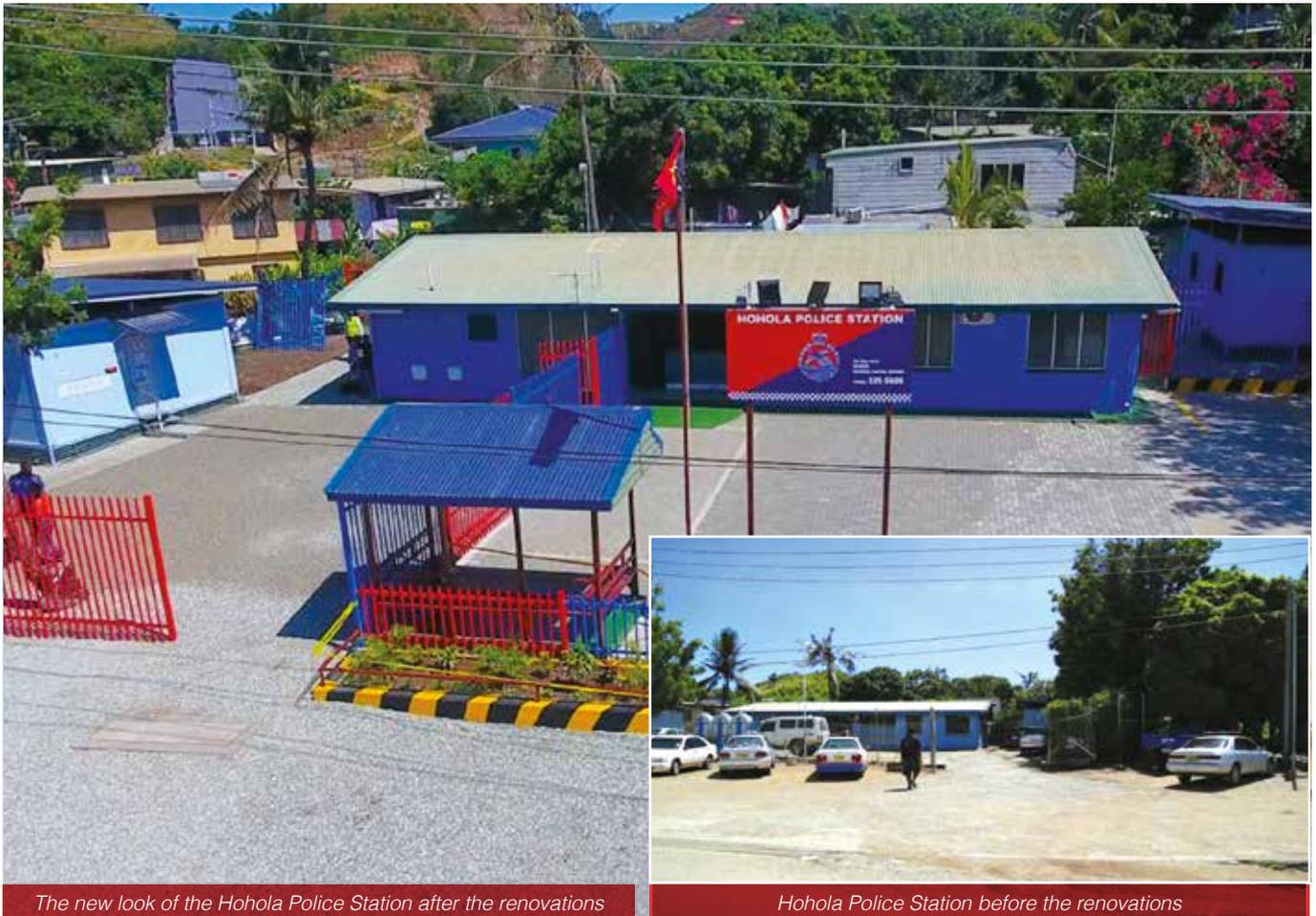
According to Mr Yambi, the school has mapped out a plan on how to make good use of the power source which includes supplying power to Kagua station on a rental basis to generate income for the school which they can use to facilitate school activities.

Shelindah Kori, a year ten student said that the generator will make learning effective and easier as now the students will be able to have documents photocopied and assignments typed and printed.

Speaking on behalf of her classmates, Kori said the provision of light and power is a confidence booster ahead of national exams because students are able to enjoy extra hours of studies.

The generator is a donation made by Petroleum Resource Gobe (PRG) through the company's Community Infrastructure Trust Fund (CITF)

Star Mountain Plaza refurbishes Hohola Police Station



The new look of the Hohola Police Station after the renovations

Hohola Police Station before the renovations

The aging Hohola Police Station has been refurbished and upgraded with white goods provided by Star Mountain Plaza Limited (SMPL), developer of the world class Star Mountain Plaza in Hohola.

The plaza carried out the refurbishment as part of its community initiative program.

The official handover of the police station was held on Thursday, 17 May 2018 in a small ceremony attended by the Police Minister Hon Jelta Wong, NCD, Metropolitan Superintendent Mr N'Dranou Perou, Police Station Commander Benjamin Kua, National Capital District (NCD) Governor Hon Powes Parkop, Mineral Resources Development Company (MRDC) Managing Director Mr Augustine Mano, the Hohola community and the media.

Refurbishment cost around K500,000 which included maintenance to both the interior and exterior parts of the building. SMPL also delivered three printers; one being a large colour printer and copier; seven desktop computers, two laptops inclusive of Microsoft Office

Professional, anti-virus software, twenty-five lockers, desks and chairs.

The refurbishment was carried out with the hopes that it will assist the officers in their efforts to keep the peace and reduce crime in the area.

"As you all know, we are building a very modern multibillion kina project on the other side called Star Mountain Plaza. Looking back here at one of the most important government institution that keeps law and order, it was very sad to see the condition that the police station was in. so we thought as neighbours, as business communities what can we do to make a difference," MRDC Managing Director Augustine Mano said.

Mr Mano said the Plaza will be hosting the gala dinner that will be attended by world leaders so it was important to have a properly equipped and functioning police station in the vicinity of the gala venue.

Mr Perou said upholding law and order requires everyone's support.

"For the people to enjoy peace and security, the citizen of this country and

NCD must invest to benefit and enable the police to produce the outcome expected," he said.

Mr Perou went on to thank the MRDC and its stakeholders especially the Star Mountain Plaza for their partnership and commitment in this project.

Honourable Governor Parkop also acknowledged the MRDC and partners Star Mountain along with other landowner companies.

"Mi tok tenku lo upla lo makim disla investment, which will go a long way to improve safety na security lo hia" Said Parkop.

The police officers were pleased with the upgrade and motivated to serve the people in the area. While it is a small project, the impact it has on the community is immeasurable.

The project was contracted to Cane Construction, a PNG-owned company that did an outstanding job under budget and on schedule.

SMPL and MRDC are proud to be part of the project and look forward to seeing the positive difference the project will make in the community.

GR- PNLNGPL launches two new CITF projects



MRDC MD Mr Augustine Mano, School Board Chairman Mr Rausi Rausi and GR-PNLNGPL Chairlady Ms Ulato Avei cutting the ribbon to officially open the two storey double classroom.

MRDC MD Mr Mano hands over the ambulance key to the board of GR-PNLNGPL

Gas Resources PNLNG Plant Limited, under the management of MRDC is seeing the fruits of the Community Infrastructure Trust Fund (CITF) with the opening of a double story classroom building for Rearea Primary School and a new community ambulance to service the four PNLNG Plant site villages in Central Province.

The classroom was successfully completed under the leadership of Director Dikana Igo who represents Rearea village on the GR-PNLNGPL Board.

Central Provincial Government started the construction of the classroom through its DSIP funds, however could not be completed because of lack of funding. GRPNLNGPL stepped in to complete the construction.

GR-PNLNGPL chairlady Ms Ulato Avei said that CITF is an investment for the future generation.

"We are all here to witness the fruits of the LNG Plant. We are all here to witness the investment of the future generation. That is why Gas Resource PNLNG Plant Ltd was established," Avei said.

She added that the establishment of their landowner company was not only to administer payment of royalties but also to take services closer to the communities and invest in the younger generation.

MRDC Managing Director Mr Augustine Mano said the board saw the need for an ambulance to service the four villages after three women from Porebada village died during childbirth because of lack of transportation to the general hospital at the city.

"We don't want to deny our people the opportunity to save lives and the opportunity to improve the quality of life. The community infrastructure project is about doing that," Mano said.

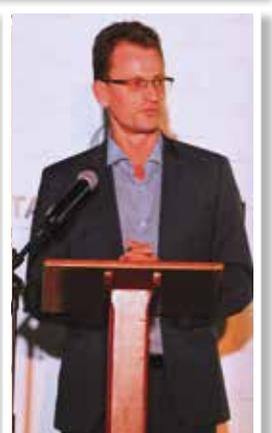
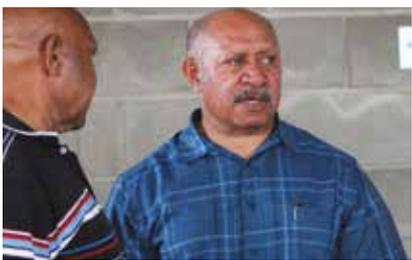
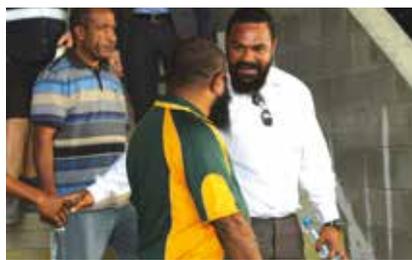
"When you look at the benefits, the 40% given as royalty is like putting your footprints on the sand, the next day when the high tide comes you don't see these footprints anymore. However when you look at the community infrastructure projects such as the classroom and the ambulance, these are projects that will benefit people now and the future generation and we feel proud to start this in the PNLNG Project."

Mano also commended the board of GR-PNLNGPL for their outstanding leadership.

The double classroom was completed at an approximate cost of K150 000 while the ambulance truck cost K290, 000, both funded through the trust fund.

Meanwhile, also in attendance to witness the occasion were Exxon Mobil PNG, Laba Holdings Limited and the media.

Official tour after the completion of the first stage





MRDC joins PNG EITI Multi Stakeholders Group (MSG)



The Mineral Resources Development Company (MRDC) has joined the Papua New Guinea Extractives Industry Transparency Initiative (PNG EITI) Multi Stakeholders Group (MSG).

Following recommendations in the PNG EITI, the company joined the MSG in 2016 as a trustee of beneficiary for landowners and provincial governments as per the Oil and Gas Act and the Mining Act.

The decision was made in an effort to show transparency in handling the people's benefits and interest in resource projects, so the public is aware of the processes and channels that are involved in the disbursement of benefits.

MRDC is a company wholly owned by the State to manage landowner and provincial government interest in the mining and petroleum projects in the country.

MRDC currently manages a number of subsidiary companies which are vehicles including equity holding trusts for the eventual distribution of benefits to the people from the resource project areas.

The boards of these trust companies are chaired by landowners who ensure that Government policies, as well as valuable business performance information from the developers, and benefits are passed onto the people. In its role, MRDC has become a "middleman" between the people, the state and the developers.

The activities and management of these trusts are set out in a Trust Deed – the document that specifies who the beneficiaries are, the rules under which the trust is operated and who the Trustee is.

The Trusts have very specific guidelines for the management of funds, such as rules for investment of money, requirement for proper accounting practices, mandatory annual reports and audit, provision for management fees and powers of the Trustee or beneficiaries.

"Given the importance and value of the assets the company holds for the people of PNG, we congratulate them for taking this step towards greater transparency" PNG EITI head of secretariat Lucas Alkan said.



Kametan Sibunakau - ICT Manager

Introducing New Staff

Kametan has had vast experience in the ICT industry in Papua New Guinea holding managerial roles in major ICT companies in the country such as Daltron PNG, Datec PNG, Digicel PNG, and other NGO's such as the United Nations Development Programme to name a few.

Mr Sibunakau is also the President of the Sogeri National High School (SONATHS) Alumni, an association comprised of former SONATHS students who are committed and dedicated to give back to the school.

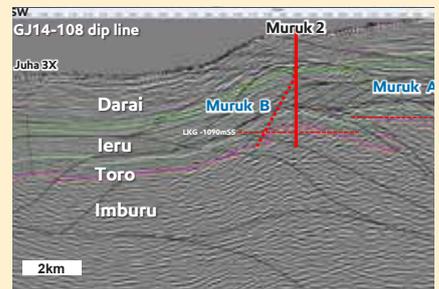
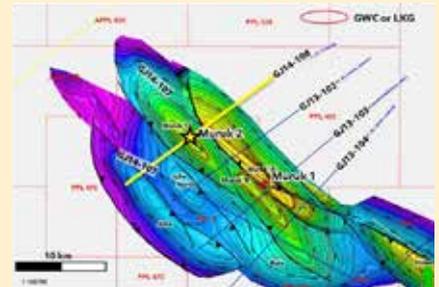
Welcome Mr Kametan, we wish you well and look forward to working with you.

Muruk-2 Exploration Well –Status Update

Technical Update

- Pressure prediction and well design complete
- Success case* well test design in progress
- Hydrate formation and flow assurance modelling (Muruk1 learnings)
- Muruk1 ST3 Metrolgauge commssystem expected to fail; re-evaluating longer DST to estimate minimum OGIP

- Site clearing complete, heavy earthmoving equipment mobilized and progressing leveling, 6 blasts complete
- Waterline route 100% cleared and bridged
- Finalizing technical design work and commencing preparation of drilling permit application Post-earthquake:
- Staff 100% evacuated from site March 1. ~70% of staff returned; Geotech evaluation of site: Pad ok, minor construction camp reconfigurations/ rebuild, water line rerouted
- Spud timing 4Q 2018



Operational Update

Pre-earthquake:

- V FF received (Jan 2018)

Muruk-2 Timeline	2017												2018												2019		
	D	J	F	M	A	M	J	J	A	S	O	N	D	J	F	M	A	M	J	J	A	S	O	N	D		
Activity																											
Muruk Appraisal Seismic Program Acquisition																											
Muruk Appraisal Seismic Program Processing																											
Funding decisions PDL9 JV																											
Muruk-2 Drilling																											
Well Planning / Design																											
Operations																											

Muruk-2 location before 2018 earthquake



Muruk-2 location after 2018 earthquake



Muruk-2 waterline post earthquake



Education is the greatest weapon ever used by mankind



James Debela with his Bachelor's Degree in Public Administration

Sustainability is only possible through education, says newly graduate James Piwa Debela.

Hailing from Hiwanda village in Tari, Hela Province, James graduated with a Bachelor Degree in Public Administration in March from the Divine Word University (DWU) in Madang Province.

Like many Papua New Guineans, James did not have it easy. A grade 10 drop out, the streets of Port Moresby were his favourite hangout with other unemployed youths. However, unlike the rest of his crew, James was visionary and business-minded. He knew that to become successful, he had to get off the streets, clean himself up and start afresh. James returned home to Tari where he believed he could relaunch himself again.

As a resource owner of the Hides PDL 1, James realised that benefits from

the PNG LNG Project was seasonal so he ventured into the informal business sector where he established a number of small businesses in Tari town.

However, this was not enough for James because at times he found that cash flow was weak. He needed something stable and one that would generate regular income and cash flow. He could not rely only on equity and royalties, which quickly ran out. James decided he had to find other means to sustain himself.

In 1995, he worked with Gigura Development Corporation as a fuel boy for two (2) years then went on to work with Oil Search Hides as a village liaison officer (VLO) for six (6) years. While working with Oil Search, James acquired his grade 12 certificate from Hela University Centre.

In 2007, he contested for the Tari Pori Open seat during election with

the hope of making a change at grassroots level. However, he was not successful. This did not deter him. James left politics to pursue further studies and obtained his Diploma from the PNG Institute of Public Administration (PNGIPA) in 2008. James joined the Department of Petroleum and Energy as a field consultant from 2009 to 2012 during which he helped deliver the PNG LNG UBSA and LBSA successfully. His efforts were recognised by the Mineral Resources Development Company (MRDC), and employed him in 2013 as a LNG field liaison officer.

Having been exposed to a hard life on the streets at a tender age, James understood that in this world and time, it's about the survival of the fittest, which that can only be achieved through education. He decided to further his education and pursued a Bachelor's Degree in Public Administration from Divine Word University (DWU). As an employee, MRDC fully funded his studies on the understanding that he will continue to work for the company.

After two years of studies, Debela proudly graduated with his degree proving that education never ceases and age is only a number.

James knows full well he would not have been able to fulfil his goals and ambitions if it weren't for organisations like the Mineral Resources Development Company (MRDC), Oil Search Limited, Department of Petroleum and Energy (DPE) and the Gigura Development Corporation.

"I'm grateful to the organisations and individuals who have impacted my life and my family in the most effective and sustainable way, which is enabling me to obtain the greatest weapon in humanity, which is education."

The education of a man is never completed until he dies - Robert E. Lee

Anyone who stops learning is old, whether at twenty or eighty. Anyone who keeps learning stays young.

MRDC remembers Late Governor Agiru



Enga Mioks team with the Agiru Cup Trophy and the Governor Sir Peter Ipatas



Hela Wigman with Enga Governor and MRDC External Affairs General Manager Imbi Tagune

organised the round 15 match of the Digicel Cup to be played in memory of Agiru to strengthen the brotherhood between Hela and Enga Provinces, which saw Enga Mioks and Hela Wigmen in match for the inaugural Anderson Agiru Cup.

The round 15 match took place at Aipus Oval in Wabag in a brotherly affair that saw Mioks running riot to win 20-4 to lift the inaugural Agiru Cup and K20, 000 prize money while Wigmen settled for K5000 cash.

The match was attended by the Governor Sir Ipatas and some representatives from the MRDC.

MRDC is proud to support such a course that celebrates the life of one of PNG's great leaders, and especially a key player in the PNG LNG Project in the Southern Highlands and Hela Provinces.

Late Agiru started his journey with the company 21 years ago as the elected Governor of Southern Highlands Province. As mandated to represent the provincial government Agiru was appointed to the board of Petroleum Resources Kutubu (PRK) from 1997-2003 and 2017-2012. Moreover Late Governor was also in the board of Petroleum Resources Gobe (PRG) and Petroleum Resources Moran (PRM) until the time of his passing in 2016.

Agiru is part of the history of MRDC and will always be remembered by the company.

The Mineral Resources Development Company (MRDC) has supported the Agiru Memorial Cup with K30, 000 through the commitment of Managing Director Augustine Mano.

The event was hosted by the Enga Mioks Rugby Football Club to commemorate the Founding Father of Hela Wigmen and Hela Province Late Governor Anderson Agiru. The Governor for Enga Sir Peter Ipatas

MRDC supports Kairuku/Hiri netball tournament

The Mineral Resources Development Company (MRDC) provided K10,000 in financial assistance towards the Kairuku Hiri netball tournament.

MRDC Managing Director Mr Augustine Mano presented the funds to plant site landowners to facilitate their annual netball tournament thus fulfilling one of its obligations as the trustee of the people's interest in the PNG LNG project through their community development initiatives such as supporting the union of landowners and the community at large.

The plant site landowners are now experiencing the benefits under the management of the MRDC.

President of the Kairuku/Hiri Netball Association and Chairlady of Gas Resources PNG LNG Plant Limited (GR-PNGLNGPL) Ms Ulato Avei said that the tournament is about the union of the Kairuku/Hiri people and to promote the Hiri Trade and culture. Moreover, the tournament exposed raw talents from the rural communities.

The Kairuku/Hiri Netball tournament is an annual competition that brings together communities in the Kairuku Hiri region, specifically affiliated netball associations in the Kairuku/Hiri Electorate of Hiri East, Hiri West, Koiari and Kairuku villages.

Hisiu retained the Hiri title after a 21-18 win over Gaire at the grand final at the Rita Flynn Courts in Port Moresby.

The tournament was held at the Rita Flynn Courts in Port Moresby from 26-28 June.