

MRDC Breaks through to War Zone Benaria



MRDC GM Imbi Tagune joining in the welcome singing group in Benaria.

The remote Benaria Region in the Hela province is notorious for tribal fights. It is referred to as a war zone and hardly anyone goes there out of fear of being attacked.

There's hardly any presence of government service there. A primary school and an aid post serving over 7,000 people there were built by the ECPNG Church before independence.

In 2010, it was decided that the pipeline for the PNG LNG Project would run from the Hides gasfield through the Benaria region into Kikori.

The notorious war zone suddenly became the home of 136 beneficiary clans of the PNG LNG Pipeline Segment 2.

And it was left to MRDC to make the breakthrough. The task was to get into the area and talk to the people about the project and its benefits, create awareness about small businesses and financial inclusion, and open bank accounts for the clans.

Benaria makes up the segment 2 pipeline landowners and have been part of the MRDC's bank account opening program which also covered Segments 1

in the middle of Juha and Hides (Hela), and segment 3 in Paua, Southern Highlands Province.

The July 2019 visit to Benaria by MRDC also included officials from Bank South Pacific, the Department of Petroleum, Kumul Petroleum Holdings limited and ExxonMobil.

Team leader and MRDC General Manager for External Affairs and Sustainable Development Imbi Tagune was very pleased with the outcome and his team's effort in Benaria.

"This is a significant breakthrough, to be able to include Benaria in this process. This means the people here will be able to use benefits from the project to improve their lives," said Tagune.

He said with the bank account opening completed in Benaria, the next step was to set up the board of the trust company.

"Their benefits will flow as soon as the complete board sits and goes over the books before deciding on a date to release the overdue royalty and equity payments."

In total, 186 clan bank accounts for Segments 1, 2 and 3 were opened; 13 clan accounts for Segment 1, 135 for

Segment 2 and 38 for Segment 3. These three segments will be represented by one director to the board of the trust company; known as Gas Resources PNG LNG Pipeline Limited.

The trust company will manage all landowner interests for the entire pipeline Segments from 1-8 covering Hela, Gulf, and SHP. It will be a subsidiary of MRDC. So far only two directors have been elected to the board, Oumabe (Segment 7) and Babena (Segment 4 & 5).

The board will comprise of four landowner representatives, the Managing Director for MRDC, Governors for Hela, and Southern Highlands and and Secretary for the Department of Petroleum.

Benaria, Segment 2 was to combine with Segment 3 clan beneficiaries from Homa, Southern Highlands Province to participate in an election process to elect a representative director.

The election process allows for the Major clan chair persons only to nominate and vote. It is hoped this process will be completed before the end of the year.



Augustine Mano,
Managing Director, MRDC

Greetings and welcome to our September edition of the MRDC Tokaut newsletter for 2019.

It's the third quarter of the year and our task of managing all landowner's interests and business continues to keep us busy. With the end of the year in sight, I am happy to say, MRDC is committed to its task and this issue of the Tokaut will shed light on all happenings this quarter.

In our June issue, we reported about the PNG LNG Pipeline Segment bank account opening and Directors elections for Segments 1 to 8. We have made some progress since then officially opening bank accounts for more than 200 clans from Segments 1, 2 & 3, majority of which are from Beneria (Segment 2) in Hela, we bring to you that story on page 1.

On this page (page 2) we introduce a new staff to MRDC. Gabriel Vao who joins us as building manager for MRDC Haus, we welcome him on board to the MRDC family.

One important task undertaken this quarter has been our efforts to help bring peace to Angore (PDL8) after years of tension and fighting between locals and against Exxon-



Managing Directors MESSAGE

Mobil. This has now been resolved through peace ceremony captured on page 3.

GR-PNGPNG Plant limited, continues to deliver to its people of the four villages around the PNG LNG Plant site in Central province. This time, Boera village receive 20 new outboard motors and dinghies for fishing activities, read on page 4 why this is important for the villagers.

While we celebrate our achievements, we were also reminded of how short life is. At the end of August, we lost a great leader the late Vincent Kearo. He was a pioneer director on the board of Mineral Resources CMCA Limited; story on page 5.

We agree with the phrase "picture speaks a thousand words therefore in Tokaut we show pictures of our dedicated staff in operation mode on major exercises such as the Gas Pipeline segment accounts opening and Directors Election. Find pictorial on pages 6 & 7 showing some photos from our pipeline segments 1, 2 and 3 account opening in Benaria and Tari town in July and August, as well as photos from Angore.

This quarter we have also made some donations to worthy causes; those include our support for the Business and Professional Women's Club and our continued support towards our very own Kutubu Kundu and Digaso

Festival. We feature those stories on page 8.

Some welcoming developments include the end of the long-standing leadership issues of the Namo' Aporo Landowners Association (NLA). The court ordered election of executives took place that saw John Kapi Natto elected as chairman, more on this on page 9.

Our usual Tech Tok edition is featured on page 10. Our technical team share some insight on the rise of the gas fields in the country.

For the first time, MRDC has taken on the task of training our landowner directors to be effective as directors on the boards of our subsidiaries. Through the first of a series of workshops to be held through to the end of the year, MRCMCA was the first board to receive this training, read about their experiences on page 11.

And finally onto Sports on page 12 The Central Dabaris have been thrown a lifeline to continue their 2019 Season, thanks to GR-PNG LNG Plant site. A boost of K480, 000 saw them finish their season off on a high note.

With that, I hope you enjoy reading about all we've been doing at MRDC this quarter. Happy Reading!



Staff Introduction:

In this quarter edition we welcome the new MRDC Haus Building Manager Mr Gabriel Vao.

Mr Vao will be directly in charge of the administration and maintenance of the building. His main responsibility is to ensure the building is a safe and pleasant working environment for its tenants.

◀ MRDC Haus Building Manager- Mr Gabriel Vao in his office at the MRDC Haus Foyer.

Mr Vao is the point of contact regarding anything and everything that concerns the building and its occupants. Any faults or problems with air conditioning, the elevator, power etc encountered in the building should be reported to him. MRDC is confident in his leadership as Mr Vao has vast experience in management of facilities and security. Prior to joining the company Vao worked as a Security and Facilities Manager with various companies such as L&A Group of Companies, Coffey International, Credit Corporation and Ashton Brunswick.

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Peace restored at Angore as ExxonMobil resumes work



Angore leaders John Akiye and Malex Au shaking hands as a show of peace and unity witnessed by State, Exxon and Angore landowner dignitaries in Idauwi Community School. (Insert) School Children from Angore with place cards calling for peace.

ExxonMobil has resumed work at Angore PDL 8 in Hela province following a peace ceremony which united rival landowner groups after a year of fighting.

The peace and reconciliation ceremony, held at the Idauwi Community School in August this year, was facilitated by MRDC. It successfully brought an end to long standing dispute among the rival groups, which has seen the destruction and vandalism of machinery and properties. Fight erupted in June 2018 after landowners protested over a non-payment of 35 million kina for "project security". The fight prompted ExxonMobil to abandon work and evacuate its employees to safety. They stayed away for over a year as MRDC led efforts bring peace to the area. The August 2019 ceremony, witnessed by Exxon Mobil, MRDC, KPHL, DPE, OSL and landowner

leaders was a relief for all the stakeholders involved.

Speaking on behalf of the 59 ILGs of Angore, Malex Au, chairman of the ATALA group apologised for the destruction and damage to properties which have resulted in the interruption the company's operations in Angore.

"This is our way of contributing to taking back PNG. We are starting in Angore by bringing peace to our area", said Malex.

"I take this time to say sorry to Exxon Mobil. I take full responsibility for my peoples' actions and today, I personally say sorry."

He was pleased to see ExxonMobil return to resume operations and gave his word on behalf of the people that in future, issues would be addressed in a round table rather than fights.

MRDC's Imbi Tagune called on the people to remember this day and

keep the peace in the area.

He told them Hela was home to the PNG LNG Project, which was of immense economic importance to the nation.

"You are PNG's Garden. God has blessed Hela. Only through peace can you enjoy the blessings.

"That is why we at MRDC promote peace. We lead efforts to find a resolution to conflicts through peaceful means. We proved this when we went into the once notorious Beneria No-Go-Zone to help landowners open bank accounts. We brought peace there, and we have facilitated for peace in Angore. We can expect development and service delivery to flow smoothly."

The leaders presented 15 live pigs to Exxon Mobil as a symbol of reconciliation and renewal of partnership.

Twenty New Dinghies for Boera Village Community Economic Initiative



Part of the 20 outboard motors and dinghies at Koke Hanua in Boera village.

Boera Village in Central Province have received twenty (20) new outboard motors and dinghies from their LANCO Gas Resources PNG LNG Plant Limited (GR-PNGLNGPL) to promote sustainability through subsistence fishing and farming.

The outboard motors and dinghies were purchased through the Boera Community Infrastructure Trust Fund (CITF), set aside for them as one of the four landowning villages of the PNGLNG Project Plant facility.

Their director representing them on the board of GR-PNGLNGPL Ms. Ulato Avei who is also the Chairperson on the board purchased the dinghies as part of a community economic initiative which aims to bring back the culture of subsistence fishing and farming to the village.

The brand new dinghies and outboard motors were purchased from Ela Motors at a cost of up to K530,000 and were presented to the landowners today (Thursday, 12th of

September) in Koke Hanua, Boera Village.

Avei had also previously donated two fully kitted tractors in March this year to encourage women in agriculture in the pursuit of promoting sustainable development.

GR-PNGLNG PL in its two years of operation has contributed to improving and enhancing the lives of the four impacted villages by building essential infrastructure through their Community Infrastructure Trust Fund (CITF).

Under the management and leadership of MRDC, GR-PNGLNG PL is confident in its capability to help develop the four-landowning villages of the PNGLNG Plant facility. To date, GR-PNGLNGPL has spent a total of K4.4 Million on community infrastructure projects in important sectors like Health and Education. The CITF is a 30% portion set aside from all landowner payments per the Oil and Gas Act, to build infrastruc-

ture projects and support initiatives which benefit the entire community. Another 30% put towards the Future Generations While 40% of any benefit is in cash payments.

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Director Kearo remembered as champion of CMCA villagers



The Late Vincent Kearo

As the dinghy left the shores of Daru Island, the people waved goodbye with heavy hearts. They were bidding farewell to one of their visionary leader who would be laid to rest in his Waridoboro village, in the Manawete region Western province.

The name Vincent Kearo is a synonym for leader and guardian to the people of Manawete whom he represented under the Community Mine Continuation Agreement with the Ok Tedi Mine.

He was described as a leader championed the peoples cause and fought hard for benefits to flow to them, especially in negotiating the implementation of Mineral Resources Community Mine Continuation Agreement Holdings (MRCMAH). This is the landowner company that holds the cash compensation for development purposes for the mine affected communities.

Late Mr Kearo sat on the board of MRCMAH as one of the founding directors until his untimely passing last month (August).

Fellow Director Kime Sumai, speaking at the funeral service in Daru spoke of Kearo as a man of principle who had virtues that the company was privileged to be associated with. "We recognize and appreciate Vincent Kearo's contribution to the company, and most importantly to the people. He was a strong and true leader who represented the



The late Directors body leaving the shores of Daru for a day journey up the Fly river to his village.



Mr Kearo's body being carried from the haus krai to the wharf in Daru town.

Manawete people through all the processes and negotiations to come to where we are today," Said Sumai. Sumai urged the young people of Manawete who gathered learn, step up and take over from where late Director Kearo had left off. The Mineral Resources Development company (MRDC) assumed full responsibility of meeting the cost of repatriating the body from Port Moresby to Daru, and onto Waridoboro village, including meeting the cost of family members. A K20,000 was made available for the family to

meet additional expenses as they occurred.

Speaking at the funeral service, Alex Wapia of MRDC conveyed the company's deepest condolences to Kearo's relatives and family and the people of Manawete region for the loss of their leader.

"We have lost a strong leader, in the business circle and in the community here in Western Province. He dedicated his life to serving his people. We at MRDC and MRCMAH will remember him for a long time," Alex said.

OUT & ABOUT in Benaria



OUT & ABOUT in Angore



MRDC Partners with Organisation to educate Women & Girls



MRDC COO John Tuaim (Centre) with Executives of BPW during the official announcement of MRDC's Gold Sponsorship to the event.

More than 2, 200 women and girls from all over Papua New Guinea have benefited from K1.6 million through Business & Professional Women's (BPW) Club of Port Moresby's scholarship program to complete their education since 2009. Business & Professional Women's Club of Port Moresby will be holding its inaugural CEO's Independence Ball on Saturday 7 September at the International Convention Centre, as one of its major fundraising drive to raise funds to continue this scholarship program. Supporting the drive, Mineral Resources Development Company and Oil Search Limited have both put their hand up as gold sponsors with K20, 000 each to support the fundraising. President of Business & Professional Women's Club of Port Moresby Jessinta Wagambie thanked Mineral Resources Development Company and Oil Search for recognising the importance of assisting disadvantaged women and girls in the country to complete their education.

"Women and girls play a vital role in our society, by giving them the opportunity to complete their education, we are empowering them to contribute to the growth and development of our country. MRDC's Chief Operating Officer, John Tuaim in presenting a cheque for K20, 000, on behalf of MRDC said the company was proud to be supporting BPW in this very important cause. "Women are the backbone of this nation. When you educate a woman, you educate a nation and we are proud to partner with you to support and empower our women and girls." Business & Professional Women's Club of Port Moresby is a not for profit organization, run by group of volunteers who dedicate their own time to raise funds to support disadvantaged women and girls complete their education. Funds are sourced from its annual International Women's Day Breakfast, currently the sole fundraising event and individual contributions.

Eco-tourism through Digaso Festival

The Mineral Resources Development Company (MRDC) continues to help promote the Kutubu region as a tourism hub through its annual financial support of K50, 000 to the Kutubu Kundu and Digaso Festival (KKDF).

A cheque of K50, 000 was presented to the Kutubu Kundu and Digaso Festival Committee at the MMI Building in Port Moresby earlier this month.

This marks MRDC's 9th year of support, giving a sum of K450, 000 in financial assistance to the festival since its inception in 2011.

This year's theme; Strongim na wok bun wantaim" encourages the people to come together and work in partnership for the growth of the community so that they can be resilient through adversities. With this, the MRDC ensures that the communities are able to thrive and sustain themselves after the earthquake of March 2018. The company believes that this can be done through events like the festival, to remind the people of the goodness and value of their motherland, which gives birth to their cultures and traditions.

The Kutubu Kundu and Digaso Festival is an annual event that aims to promote ecotourism, generate income at the local level and is a platform for creating awareness on the importance of preserving traditional practices and beliefs.

MRDC is proud to support the festival to promote sustainability through eco-tourism so that traditional practices, beliefs and natural environment can be preserved, especially after the earthquake.

The festival is one of the biggest event in the region that showcases traditions from different parts of the region down to Kikori basin in the Gulf Province.

The Kutubu region in the Southern Highlands Province hosts the Kutubu Oil fields, which has been the backbone of the country's economy for more than twenty years, making the people shareholders of the country's biggest oil project, as well as pipeline landowners of the PNG LNG Project.

The Kutubu Kundu and Digaso Festival will be held from the 19th-21st of September in Kutubu, Southern Highlands Province.

Namo'Aporo LO elect Kapi Natto as new chairman



Seated (Left-Right) Mr Peter Heno- (Treasurer Elect), Mr John Kapi Natto- (Chairman Elect), Emmanuel Atakaro (Deputy Chairman Elect) and Clark Faso – (General Secretary and Public Officer) and standing were supporters of Mr Kapi Natto who were there to celebrate his election victory at the Hilton Hotel.

The Namu'Aporo Landowners Association have anonymously voted in John Kapi Natto as their new Chairman during an elective Annual General Meeting held at the Hilton Hotel in Port Moresby on Saturday, (June 8, 2019)

Mr Kapi Natto polled 80 votes out of the 112 votes while his only opponent Mark Sakai managed 32 votes. Of the 117 ILG chairman only 114 were eligible to vote but from the votes counted two were ruled informal.

The court-ordered election took place after a struggle for leadership within the Association which started in 2007 and came all the way to 2014 after a long court battle.

In 2014 the court advised both faction led by Mr Kapi Natto and Mr Sakai to hold an AGM to elect the office bearers and the faction led by Mr Sakai was then elected and declared by the electoral commission.

Majority of the landowners did not agree with the election of Mr Sakai stating that the AGM didn't work out well so they went back to court. It took almost five years for the ruling to come out and on May this year (2019) the court declared the election of Mr Sakai null and void

and ask the electoral commission to conduct another election which Mr John Kapi Natto was elected as the new Chairman by majority of the landowners during the elective AGM.

Mr Kapi Natto said, for the people it was a big relief.

"Because the orders came back that the election didn't go well and that court ordered to conduct an elective AGM within a month so today (Saturday) was the demonstration of it by upholding the laws and the orders" said Kapi-Natto said.

During the Elective AGM number of key resolutions was passed with one of them being the Constitution. The constitution has authorised and endorsed 117 ILGs to be part of the constitution so that they are eligible to vote.

"We fulfilled all the court order and the election was done peacefully and transparently in the presence of the electoral commission, and also our security personals that were here so there was no mistreatment of practise, it was done fairly and honestly and the results were declared by the electoral commission." Natto stated.

Kapi-Natto continued by saying that as the chairman he and the new

office bearers including executives from the four regions of Hekari, Gasuku, Huri-aporo and Soro-moro will work together to ensure that the people of Namu'Aporo get whatever benefit they have been missing out on.

"It's a big relief for us especially the people in the village who have been suffering for so long. Their royalty and equity has been hampered by the court of the other factions and they have been suffering for the last four to five years. Service delivery was not that fast. Now that with this executive and the confidence that we have, most of us are in some jobs that are highly and more experienced and I believe that there is a light at the end of the tunnel and this management can deliver the service back to the people." Said Kapi-Natto

In concluding Natto said that the victory belongs to the people in the village because they have been waiting for far too long and sadly some have already passed on. but today is a new light and I believe this management has the energy and the confidence and we will try to deliver and take the service back to the people" he said.

The descend of Oil Fields and the rise of Gas Fields in PNG



Hides gas field

In this quarter we will look more into the gas fields of PNG and the important part it plays in the future of PNG.

Gas has been discovered since the 1950s but was not commercialized until 1980s with Hides as the first commercialized gas field and was awarded the first Petroleum Development Licence in PNG before the oil fields were brought online. Hides was granted PDL 1 to provide commercial gas for the gas-powered

turbine for the Porgera Gold Mine in Enga province.

There are about 22-gas field discovered to date as seen in figure 1 with 4 offshore gas fields while the remaining 18 are onshore gas fields. The estimated gas in place resources still untapped would be around 50TCF from the 22 gas field discovered to date.

This indicates how viable the gas resources is for the future of the PNG. However, accessing and linking

these gas fields to a LNG processing plant or the commercial market is still an economic challenge for the operators and the affected resources owners.

With the large amount of gas still yet to be commercialised and the success story of the PNG LNG, it is no doubt the PNG government and its stakeholders will be assessing carefully the Papua LNG and Western LNG for more success stories from gas resources in PNG.



Figure 1. Oil and Gas Field in PNG



PNG LNG Projects Well Pad G

MRDC Drives LANCO Directors training



MRCMCA Directors look on as Company Secretary and MRDC Legal Manager Ms Valentina Kaman speaking at the training session.

The Mineral Resources Development Company (MRDC) is ensuring that directors on the boards of all its landowner trust companies are well versed in the business of the company, partners and stakeholders.

The company recently conducted its first directors training to better equip landowner directors to understand and effectively communicate key business information and messages to the people back in the project sites.

The board of directors of Mineral Resources Community Mine Continuation Agreement Holdings (MRCMAH) were the first ever to undertake the five day training at the Hilton Hotel in Port Moresby in June.

The directors went through the basic training at level 1 of the program which focused on capacity building and self-confidence of the individual board of directors. The training builds on knowledge, skills and techniques or tools to use to successfully manage the company. The current board of MRCMCA is an interim board and so has the responsibility to produce a number of key deliverables in three years

since its inception in 2017 to December of 2020.

MRDC saw that it was vital for the directors deliver enhance their leadership skills and qualities. Director Penai Napu who represents the Highway region of the CMCA area said that the training made him realize that a good leader is someone who leads by example, not because of their leadership but because that's who they are as a person.

"for me, leadership is about imparting knowledge to others, especially the young generation. To teach them on sustainability and self-reliance is my priority.

Facilitated by Esmie Sinapa of Esmie Sinapa Development Consultants and Services, the directors discovered their strengths and weaknesses, what set of skills they bring to the board and how they can effectively contribute to the company as individuals. Moreover, the directors learned how to develop and construct a strategic plan on how they can serve their respective regions.

North OK Tedi Director Mr Lalaman Gaegae is thankful for MRDC's support in this much needed

training as he it has made him realise the importance in identifying and knowing individual capabilities and limits, as well as his purpose as a director for his region. Gaegae believes that in knowing himself better, he will be able to effectively help his people.

The training also highlighted the role of MRDC and how it manages its trustees, in terms of MRCMCA Holdings Corporate Governance, board of director's compliance, roles and responsibilities and what is expected of the directors by major shareholders.

The program also saw other organizations such as Tribal Foundation, AIDAN Limited, EMSTRET Holdings and PNG Institute of Directors share some light on community development, capacity building, as well as start-ups of small and medium enterprises in PNG and how digital technology is driving growth in rural communities.

With Mr James Assan as Chairman and the other seven (7) directors; Richard Zumoi, Lalamana Gaegae, Penai Napu, Kamen Arawak, Debra Sunakiyea, Kime Sumei and Vincent Kearo were all represent their people from the eight regions.

Lanco steps in to support Central Dabaris



Franchise Chairman Mr Keith Iduhu receiving the cheque from GRPNGLNGPL chairlady Ms Ulato Avei.

"It is indeed a momentous occasion and blessing that you have stepped in at such a time as your contribution and support is truly a vote of confidence in the abilities of these young men who carry our flag proudly in this country"

Landowner company; Gas Resources PNG LNG Plant Limited (GR-PNGLNG PL) donated a total of K480,000.00 to the Central Dabaris rugby league franchise on Friday the 14th of June in Boera village Koke Hanua. GR-PNGLNG PL plans to use sports as an agent of change so they took this opportunity head on to promote sportsmanship in the province but most importantly to use sports to

encourage personal development in the youths of central province. Ms Ulato Avei who is the Chairperson of the Lanco stated that this act of generosity supports their principle of sharing with their neighbours.

"Gas Resources PNG LNG Plant Limited is for the four impacted villages; Papa, Rea-Rea, Porebada and Boera but because we maintain and promote the culture of sharing, my fellow directors and I have taken this bold move to support the Dabaris" said Avei.

Furthermore, Ms Avei said that company does not see Central Dabaris as just a rugby team but rather as a catalyst of change in the community and that is the main reason for their support.

Ms Avei applauded the team members for their commitment and efforts, in which the team has changed the way people see the province and its people. While having everyone looking up to them Avei urged them to have discipline and be a good example for the younger generation.

Although the landowner company came in at mid-season with their support, GR PNGLNG PL hopes that

this will encourage the team to go further in the tournament.

Franchise Chairman Mr Keith Iduhu thanked the LanCo for their kind gesture and support.

"It is indeed a momentous occasion and blessing that you have stepped in at such a time as your contribution and support is truly a vote of confidence in the abilities of these young men who carry our flag proudly in this country" stated Mr Iduhu.

The franchise assures the sponsoring company that in the journey to other parts of the country, the Dabaris have achieved the cause of unifying the central people in dispersion.

"It certainly brought together men, women and children living outside of Port Moresby and brought back our sense of province to our province" Iduhu concludes.

The presentation was attended by officials from Exxon Mobil, MRDC, leaders of the four impacted villages and the media.

Also present were officials from the office of the Central Governor Robert Agarobe and Goilala MP William Samb who made commitment of K200,000 and K100,00 respectively.