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MEDIA RELEASE

PNG resource industry continues to deliver benefits to landowners and local communities

The resource industry has long been the cornerstone of Papua New Guinea's economy, driving development from pre-Independence to modern PNG, says Vice President of the PNG Chamber of Mines and Petroleum Mr Richard Kassman.

Speaking at the Papua New Guinea Business Update in Townsville, Australia earlier this month, Mr Kassman showcased how PNG's resource sector has played a vital role in the country's economic development, with PNG being one of the few countries in the world where mining and petroleum projects provide socio-economic opportunities to the local areas they operate in.

During his speech to guests from both Australia and PNG, including the Honorable Charles Abel, Deputy Prime Minister and Treasurer of Papua New Guinea, Mr Kassman highlighted the following:

- As of September 2017, the mineral and petroleum resources sectors contributed over 26% of PNG's GDP and around 80% of the nation's export revenue valued at K23 billion (approximately US\$7.3 billion)
- The industry in PNG directly employs over 20,000 people, with significantly more working in other sectors dependent on the industry, including landowner businesses

Mr Kassman told the forum organised by the Australia PNG Business Council that: "Resource development brings with it key infrastructure and contributes to a wide range of community development programs in host communities and provinces.

"This includes health, education, law and order, and infrastructure as well as numerous health care and medical outreach programs, scholarships and student support and agriculture outreach.

"The industry establishes and supports landowner companies and other PNG-based businesses that provide services to the project sites such as transportation, labour hire, catering, security, earthmoving, freight and logistics, janitorial services, agriculture, and livestock and livelihood programs to promote food security and agribusiness.

"The economic and social contributions of the industry are significant and impact not only the economy of PNG but the local footprints of host communities in some of the most inaccessible parts of PNG," added Mr Kassman.

World-class projects across PNG include Ok Tedi, Lihir, Porgera, Ramu Nickel and Hidden Valley and the smaller mines of Simberi and Kainantu.

Two major mining projects that have also applied for Special Mining Leases are the Newcrest Mining/Harmony Gold Wafi Golpu Joint Venture and the PanAust-led Frieda River projects. These projects have the potential to underpin PNG's economic and social development for decades to come. The PNG Government has appointed a State Negotiation Team who are tasked with managing the approval process for these new projects.

- Ends -



Photo 1: Cocoa growing families in Morobe supported by the Wafi-Golpu Joint Venture.