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MEDIA RELEASE

Conference attracts unprecedented international attendance

The 15th Papua New Guinea Mining and Petroleum Investment Conference in Sydney, Australia attracted unprecedented international interest as the country is on the cusp of its biggest ever investment surge in new mining and petroleum projects, according to the PNG Chamber of Mines and Petroleum.

The Chamber's Executive Director, Dr Albert Mellam, said in a statement today that the conference organised by the Chamber attracted delegates from 20 countries and PNG, making it arguably the largest international investment conference ever hosted by Papua New Guinea.

"Many international companies keen to participate in planned mining and petroleum developments had the opportunity to make contact with State-owned Enterprises such as Kumul Consolidated Holdings, Kumul Petroleum and the Mineral Resources Development Corporation, where landowner joint ventures could also be initiated," Dr Mellam said.

The Chamber's investment conference is held once every two years in Sydney, with a technical update conference held in the intervening year in Port Moresby. Since its inception in 1995, the conference has played an important role in promoting mineral and petroleum investments in the country which now underwrites around 28 percent of the PNG economy.

Dr Mellam said he was grateful to the PNG Prime Minister Hon. Peter O'Neill for attending and giving the keynote address to a packed audience at the Sydney Hilton Hotel during the opening session.

"This was one of the highlights for many conference attendees, as were valuable industry and policy insights provided in speeches by the Petroleum Minister, Hon. Dr. Fabian Pok and the Mining Minister, Hon. Johnson Tuke.

"Government policies were also addressed by the Minister for Environment, Conservation and Climate Change, Hon. John Pundari and the Minister for Communication, Information Technology and Energy, Hon. Sam Basil."

The outcomes and successes of PNG's hosting of the APEC Summit in November was also highlighted by the Minister for Lands and Physical Planning and APEC 2018, Hon. Justin Tkatchenko.

The new projects likely to receive approvals in the coming year include;

- The Papua LNG and P'nyang gas development, which jointly will more than double current liquefied natural gas (LNG) production capacity to around 18 million tonnes annually in the next five years;
- Production and export of condensate and liquefied petroleum gas (LPG) is projected to commence in 2021 from the Pasca field, PNG's first offshore development in the Gulf of Papua;
- Early works could commence in the coming year for the world competitive Wafi-Golpu copper-gold project in Morobe Province.

These projects would require commitment of more than US\$20 billion in the next two to three years.

Dr Mellam said it is likely the overall investments in these projects would surpass the 1990s resources boom when copper-gold expansion at Ok Tedi, the Kutubu oil project and Porgera gold mine all took place within a space of a few years.

The Sydney conference was informed that the Frieda River copper-gold project, which this week submitted its final feasibility study for government scrutiny and approval, could take several more years to commence...

“Besides the doubling of capacity at the Ramu Nickel mine at a cost of US\$1.5 billion, we could also see the start-up of some smaller gold projects such as the Kingston Resource project on Misima and the Geopacific Ltd’s Woodlark project in the next couple of years,” Dr Mellam said.

He said the Sydney conference attracted investment banks and representatives of export credit agencies that could help fund the spate of new resource projects.

PNG’s attraction as an investment destination, he said, was well summed up by a Senior Adviser to one of the world’s largest independent investment banks, the Paris-headquartered Lazard. The Advisor, Ms Nicole Arditti, told a session on ‘Resources Industry Financing’ that “PNG was not just the ‘Land of the Unexpected’ but ‘The Land of Opportunities’ for today and tomorrow”.

As proof of PNG’s attractiveness as an investment destination, Ms Arditti cited the Government’s successful inaugural US\$500 million Sovereign Bond issue which, she said, “has remained remarkably stable” while yields have risen significantly for Nigeria and some other countries.

Dr. Mellam further congratulated the winners of the inaugural Chamber Awards which included Trans Wonderland Ltd (Recognition of outstanding leadership in corporate governance within a PNG Landowner Enterprise 2018), Ms Charlotte Mathews of the Middle Fly River Women’s Association (Recognition of outstanding Women’s Contribution in the resources industry in 2018), ExxonMobil PNG (Recognition of outstanding Safety performance in 2018), and Oil Search Ltd (Recognition of outstanding Humanitarian initiative in PNG in 2018).

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Prime Minister Hon. Peter O’Neill speaking to delegates at the 15th PNG Mining and Petroleum Investment Conference at Sydney, Australia last week.



Prime Minister Hon. Peter O'Neill with Chamber President Mr Gereia Aopi (far left), Chamber Executive Director Dr. Albert Mellam (second from left), and Chamber Vice President Mr Richard Kassman.

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