

MINING AND PETROLEUM GROWING PNG'S FUTURE



Current and Future Projects

FACT SHEET

A well-established mining industry

Papua New Guinea has a well-established mining industry, attracting investment from many of the world's leading mining companies. Minerals currently being mined include gold, silver, copper, nickel and cobalt.

MAJOR OPERATING MINES

OK TEDI

Ok Tedi is a large copper, gold and silver mine, located in the Star Mountains of Western Province. Owned by the Independent State of Papua New Guinea and operated by Ok Tedi Mining Limited, the mine is expected to remain in production until at least 2025. As the single largest employer in the Western Province, the company employs more than 1,600 employees and 5,000 contractors.

PORGERA

The Porgera mine, owned 95% by Barrick Niugini Limited (owned equally by Barrick Gold and Zijin) and 5% by Mineral Resources Enga (owned equally by the Enga Provincial Government and the Special Mining Lease Landowners), produces gold and silver. The mine is located in Enga Province and produces approximately half a million ounces of gold annually. It is expected to remain in production for another 20 years, employing in excess of 3,000 people (including employees and contractors).

LIHIR

The Lihir gold mine is PNG's largest gold producer. Located on Aniolam Island in the New Ireland Province, the mine is owned by Newcrest Mining Limited. Since production commenced in 1997, the mine has produced more than 10 million ounces of gold, and it still has a remaining mine life of around 26 years. Approximately 5,000 Papua New Guineans work at Lihir (employees and contractors).

RAMU

Located in Madang, Ramu NiCo is PNG's first nickel-cobalt project. It is owned and operated by MCC with total investment of US\$2 billion. Following construction from 2006 to 2011, load commissioning commenced in 2012. The designed capacity is 32,000 tpa for nickel 3,200 tpa for cobalt, 107.7% nameplate capacity is achieved in 2017, which is world-leading for nickel laterite projects. During construction period, over 3,000 nationals were employed and currently around 2,000 PNG nationals (including contractors) work with the project. Now extensive exploration is underway to underpin future project expansion to further improve production capacity and profitability.

HIDDEN VALLEY

The Hidden Valley mine is located in Morobe Province, Papua New Guinea, around 210km north-west of Port Moresby, and is owned by Harmony Gold Mining Company Limited. Mining commenced in 2007 with first gold poured in 2009. Since then Hidden Valley has produced over 1 million ounces of gold and 14 million ounces of silver. Current mine life is to 2023 and the mine will produce an average of 200,000 ounce gold and 3 million ounces of silver over this period. A mining study is underway to evaluate an extension of the mine life to 2026.

SIMBERI

The Simberi gold mine is located in the northernmost island in the Tabar group of islands in New Ireland Province. Owned and operated by St Barbara Limited, it is the largest employer on the island.

KAINANTU GOLD MINE

Owned and operated by K92 Mining, Kainantu gold mine is located in the Eastern Highlands province of Papua New Guinea. The project covers a total area of approx. 410km² and was previously mined by Highlands Pacific and Barrick Gold from 2006-2009.



PIPELINE OF POTENTIAL FUTURE MINING PROJECTS

In addition to the operating mines, there are several major mining projects that are currently at various stages of development. If approved by the PNG Government and project owners, these are expected to add to employment and investment opportunities over the coming years.

SOLWARA 1

The Solwara Project is the first proposed deep sea mining project in the Pacific. It is 85% owned by Nautilus Minerals and 15% by the PNG Government. The PNG Government has an option to increase its equity to 30%. Located in the Bismarck Sea, 30 kilometres from the coast of New Ireland Province, the project is a Seafloor Massive Sulfide (SMS) deposit. Mining is expected to commence in 2019.

THE SEAFLOOR PROCESSING TOOLS THAT WILL BE USED BY NAUTILUS AT THE SOLWARA 1 PROJECT.



FRIEDA RIVER

PanAust Limited holds an 80 per cent interest in the Frieda River Copper-Gold Project. Frieda River is one of the largest known undeveloped copper and gold deposits in the world. The project is anticipated to make substantial positive economic contribution to PNG at both a national and provincial level.



AN AERIAL VIEW OF THE FRIEDA RIVER COPPER-GOLD PROJECT SITE FACILITIES AT THE FRIEDA RIVER AIRSTRIP.

WAFI-GOLPU

A 50:50 Joint Venture between Newcrest Mining Limited and Harmony Gold Limited, the Wafi-Golpu gold and copper mine is expected to create an estimated 2,500 jobs during construction, and approximately 850 ongoing jobs when operational. An initial capital investment is expected of approximately PGK9.1 billion (US\$2.8 billion), with total capital expenditure expected to be approximately PGK17.4 billion (US\$5.4 billion) over the life of the mine.

WOODLARK

Kula Gold Limited was granted a Mining Lease for the Woodlark Island Gold Project in July 2014. The project is located on Woodlark Island in Milne Bay Province. Geopacific Resources has now acquired most of the shares of this project.

YANDERA

Era Resources is focused on the development of its significant Yandera copper project, located in Madang Province. With identified mineral resources approaching 1 billion tonnes and a prefeasibility study with positive results completed in 2017, the project has potential to provide long-term positive economic and infrastructure impacts on the local, provincial, and national levels.

