

New Porgera Limited – Compensation Agreements.

Port Moresby, October 27, 2023 - New Porgera Limited (NPL) endorses the recent media statement by the Mineral Resources Authority, acting Managing Director, Jerry Garry, that the signing of the Mining Development Contract and the grant of Porgera Special Mining Lease 13 fully complied with PNG processes and law. Although SML13 has now been granted under the Mining Act, no mining activities can be conducted by NPL prior to compensation being agreed with landowners or otherwise determined in accordance with the Act.

NPL began discussions in Porgera last week with 14 mining tenement landowner clans represented by their agents. Under the Mining Act, compensation agreements are between landowning clans, represented by their agents, and the tenement holder.

NPL has asked landowners to agree to continue honouring the old Porgera compensation arrangements to allow the mine to reopen this year, ahead of a review of compensation arrangements planned post reopening of the mine. Any increase in compensation amounts determined as a result of that review will be backdated to ensure that landowners are not prejudiced by the deferral of negotiations.

The overwhelming majority of landowner agents from each tenement were in favour of the NPL proposal and expressed their wish to see the mine reopen as soon as possible. They said they had suffered with the mine closure for over 3 years which had badly impacted their families lives and did not want to see restart postponed further. The landowner agents were also adamant that all negotiations on compensation agreements should be held in Porgera and should not involve “paper landowners” living in Port Moresby or elsewhere.

NPL representatives plan to return to Porgera next week to continue the discussions with Porgera tenement landowner agents with the aim of reaching resolution on compensation agreements as quickly as possible so that the Porgera Mine can restart. The company also intends to commence meetings with the Hides Transmission Line agents next week.

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