



Mining Haus, Poreporena Highway
PO Box 1906
Port Moresby 121, NCD
Papua New Guinea

Corporate Services Division
Tel: +675 321 3511
Fax: +675 321 5711
Email: info@mra.gov.pg

20 October 2020

PRESS RELEASE

Woodlark Mining Project MoA review

Parties to the Woodlark Mining Project Memorandum of Agreement (MoA) successfully completed the review of the revised MoA last Saturday in Alotau, Milne bay Province.

The MoA was last reviewed in 2015.

The parties are the State, Milnebay Provincial Government, Murua Local Level Government, Dal Wanuwan Woodlark Mining Lease Inc (landowners) and the developer Geopacific Resources Limited.

In terms of the State commitments, the parties agreed in-principle to the various clauses of the MOA including royalty payments, equity, Special Support Grants, Business Development Grant and Tax Credit Scheme. The agreed positions on these clauses are as follows:

Royalty:

The State upon receiving 2% royalties based on Free on Board from the project, pledged to offload 25% to the Milnebay Provincial Government and 75% to the Dal Wanuwan Woodlark Mining Lease landowners.

Equity

The State is to take up 5% equity interest in the project on behalf of the Milne bay Provincial Government, Murua Local Level Government and landowners. The equity will be received and held in trust by a State nominee or an entity established by the National Government, for the beneficiaries.

Special Support Grant (SSG)

It was agreed that the State will make available in each financial year, SSG to the Milnebay Provincial Government, for the purpose of infrastructure development programs in the province. The SSG will be shared on a fifty-fifty basis with the Murua Local Level Government.

Tax Credit Scheme (TCS)

The State through the Department of National Planning & Monitoring has undertaken to apply TCS to develop infrastructural projects in the province.

Business Development Plan

The State will provide a one-off business development grant to the umbrella company established by the Dal Wanuwan Woodlark Mining Lease (Landowners) Association. This is to assist the

landowners establish their businesses in preparation for participation in business spin of benefit opportunities that may arise out of the project. Meanwhile, the developer Geopacific Resources Limited will counter fund this initiative with an additional funding.

The company has also committed to provide employment and training for Mining Lease landowners, other Woodlark Islanders, the people Milnebay and other Papua New Guineans. Other areas of commitment are supply & procurement of goods and services where the company has undertaken to source necessary goods and services locally first, the province and the country.

All parties expressed satisfaction during the closing ceremony of the 4 (Oct 14-17) days negotiation period. They parties jointly stated that they would all be committed to the agreed positions.

The State was led by the Managing Director of the Mineral Resources Authority (MRA), Jerry Garry, the Milnebay Provincial Government by its Administrator Mr. Ashan Numa, the Murua LLG by Mr. Stalin Kitaega, Dal Wanuwun by its President Max Joe while the company was led by its CEO Tim Richards. The member for Samarai-Murua Hon. Isi Henry Leonard contributed meaningfully throughout the entire review negotiations.



Leaders of the parties to the MoA from right - Milnebay Provincial Government Administrator Mr. Ashan Numa, Dal Wanuwun President Max Joe, MD MRA Jerry Garry, Geopacific Resources Limited CEO Tim Richards and Murua LLG by Mr. Stalin Kitaega, show the spirit of success after initialling the MoA in Alotau last week.