



Investing In Mining – PNG Landowners

Management of Customary Landowners of PNG

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**MINERAL
RESOURCES
DEVELOPMENT
COMPANY**



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**PETROLEUM
RESOURCES**



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Content



- Customary Landowners in PNG
- Introduction to MRDC
- Trust Arrangement
- Legislated Landowner Benefits
- MRDC's Role
- Conclusion

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Landowners in PNG



- 97% of land in PNG is customary owned
- Government owns any resources 6 feet below the surface
- Customary ownership is tribal and not individual
- Recognizing the land ownership and ease of access to land the Government has allocated equity interest in new projects to landowners

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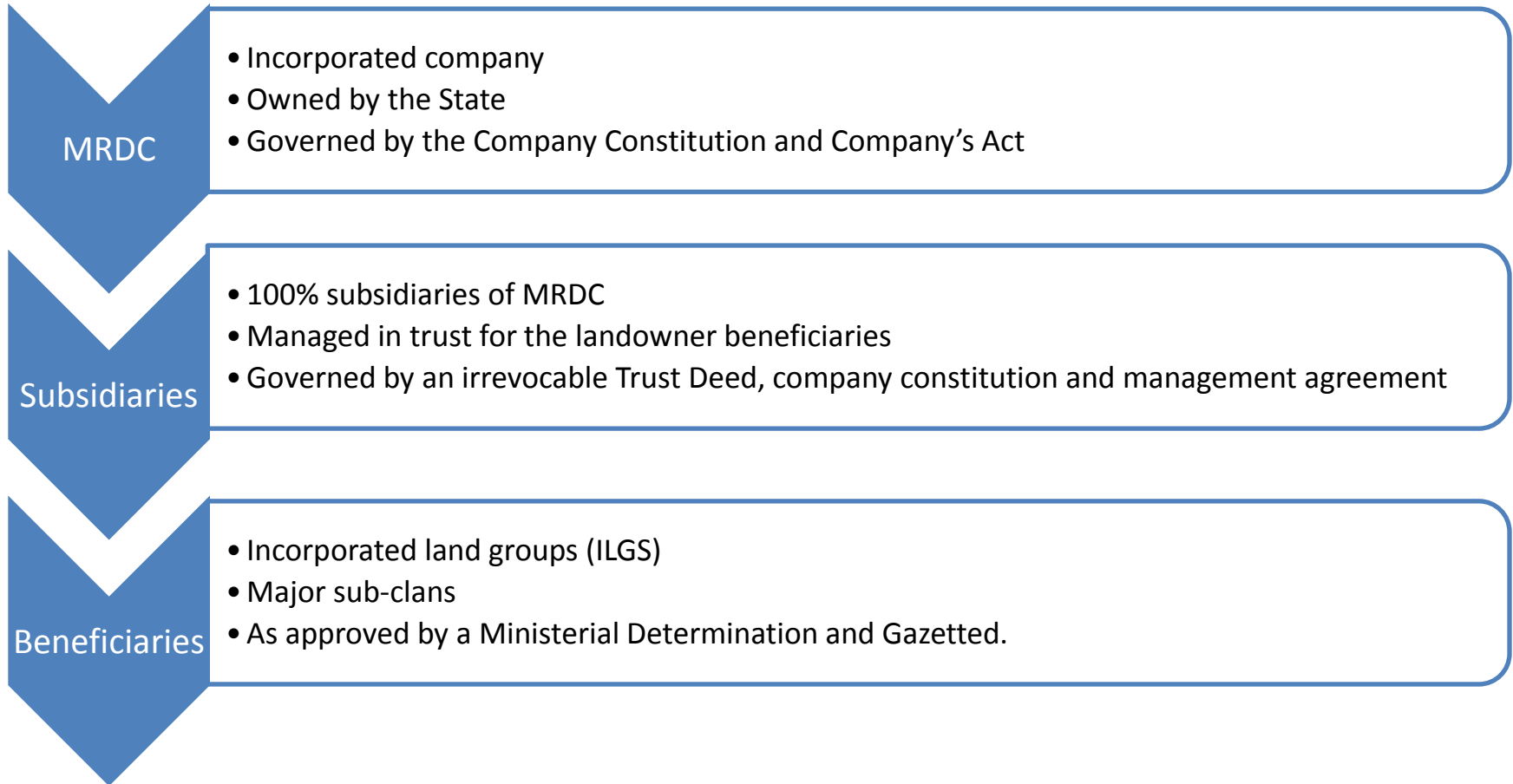
Introduction



- Mineral Resources Development Company is owned by the State of PNG
- Its main purpose is to manage the equity interest in trust for the customary landowners in Mining and Petroleum sector
- Other services include the distribution of dividends from equities and royalties to the landowners
- Investments for Future Generations
- Funding construction of community infrastructure projects in the affected project areas and provinces to improve the quality of life

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Trust Structure



Legislated Benefits



Petroleum Sector

- Landowners and provincial governments have a right to 2% equity interest in the project at project sanction. Free carried by the State
- Landowners also get a 2% royalty from the production
- Provincial govt have 2% development levy from production

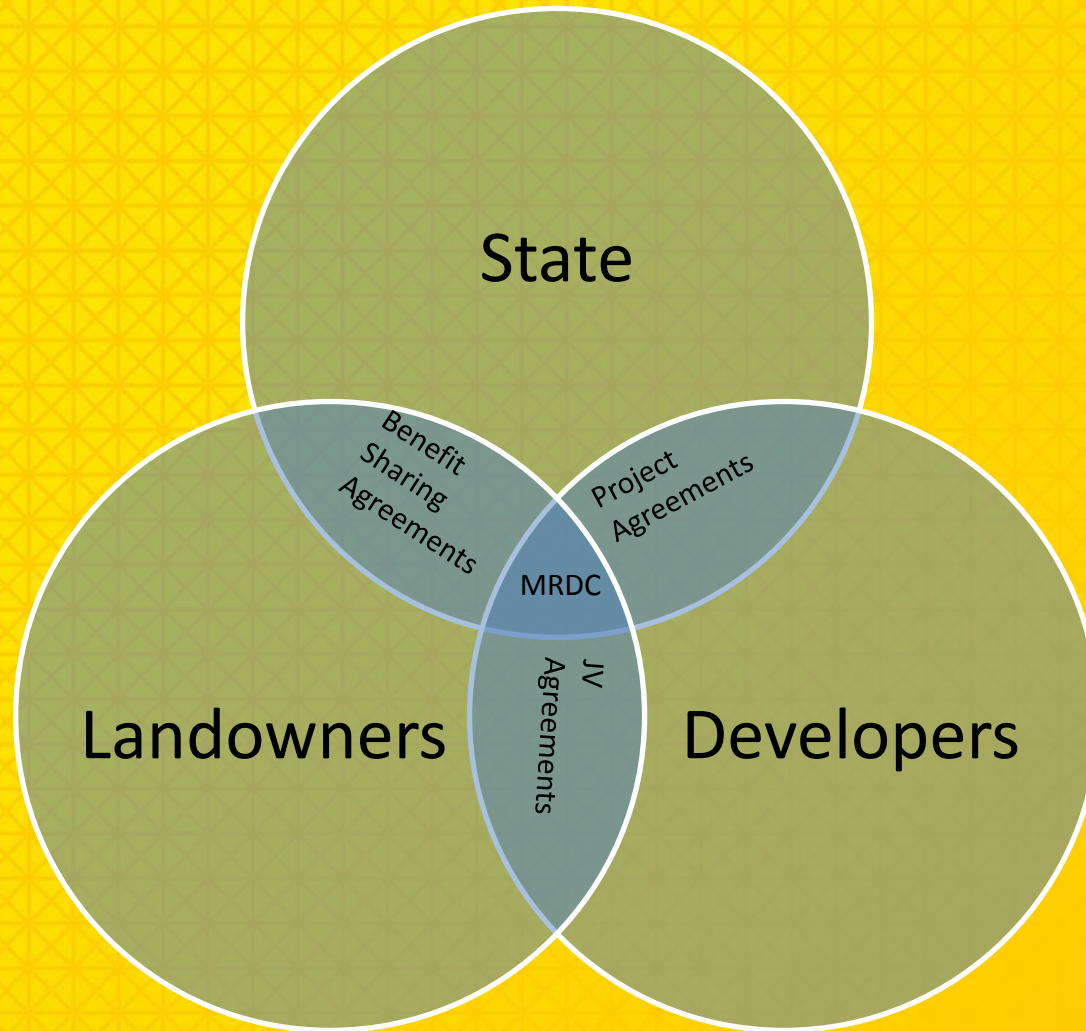
Mining Sector

- Landowners have a option of up to 5% equity interest in the project at sanction. Also free carried by the State or similar arrangement.
 - Landowners also get a 2% royalty from the production
- For every mining and petroleum development in the country, landowners are an integral part and important stakeholder in the development and operational phase.

Without their consent there will be no project.

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MRDC Role



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Conclusion



- Distribute Dividends MRDC
- Investments for Future Generation
- Improving quality of life for the landowners is paramount
- Genuine Leadership Representation
- Win win for all.....

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Thank you

Augustine S Mano
Managing Director & CEO



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