

## Papua New Guinea Ready For Seabed Mining

Written by Administrator

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For the first time a major step forward in the development of seabed mining is now in place with the granting of the mining lease to Nautilus Minerals for the development of the Solwara 1 project in the Bismarck Sea in Papua New Guinea.

The mine operation, located 30 kilometres from the coast of New Ireland and at a depth of 1600 metres, is expected to begin by the end of 2013 with the mining of 'high grade' Seafloor Massive Sulphide deposits that contain copper, gold, silver, zinc and lead.

While the project is unique as the world's first seabed mine, the lease arrangements themselves are a reflection of the evolving legislative and regulatory process in Papua New Guinea since the 1970's.

"This will enable us to avoid past experiences from the OK Tedi and Bougainville Mines," said Lyndah Brown-Kola, Senior Technical Assessment Engineer with the Papua New Guinea Mineral Resources Authority,

Mrs. Brown-Kola was part of a team of government officials from Papua New Guinea attending the Deep Sea Mineral Project workshop organised in Fiji by SOPAC, a division of the South Pacific Secretariat of the Pacific Community.

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The team was presenting to the delegates the legislative and regulatory process in Papua New Guinea that led to the granting of the seabed mineral mining lease.

Mrs. Brown-Kola said that the current legislative and regulatory review process is adequate to enable us to ensure that environmental, operational, and financial concerns are addressed.

“We operate in conjunction with the Department of Mineral Policy and Geo-Hazards Management, which has responsibility of setting all mining policies. It is part of the Mining ministerial portfolio.

Additionally, the Government policy enables the State to acquire up to 30% equity interest in mining projects in PNG. It has set as policy that through its nominated state entity Petromin, it offloads 5% to landowners as royalty. This provides a clear window of transparency in a project, as well as ensuring that the government shares in the profits, whilst responsibly participating in the mining operation through Petromin, which is an independent state commercial entity.

Mrs Kola-Brown said that the government had been looking at the Solwara I project since 1997 and it granted Nautilus Minerals the first offshore mineral exploration license in 2008.

“We have been working with Nautilus for fourteen years. It was only in this year that we granted the company a mining license. This followed two years of deliberations over their application.

“In that time we have spent two years doing due diligence to ensure environmental concerns were addressed as a requirement to issue an Environment Permit as a condition before the mining license is given. We have been educating PNG communities in the region to make sure they understand all facets of the project. We have sent our technical overseas to expand their expertise in seabed mining.

“We are well aware of the importance of this project and understand that it will be used as a model for others around the world to learn from. I am very proud to be a part of this venture,” Mrs. Brown-Kola concluded.

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CAPTION: Lynda Brown-Kola