

2008

PEAK ASSOCIATION INC

ANNUAL REPORT

PJV Management Briefings

The PEAK members always look forward to the six monthly briefings from the senior management of the Porgera gold mine. The presentation by the Mine Manager is always interesting as he presents an overall picture of the mine's operation (including the economics and the potential for finding additional reserves through further exploration). The other presentations touch more on the social and environmental aspects of the operation which is where PEAK's interests lie.

A number of issues identified from briefings in late 2007 and early 2008 have not been pursued to conclusion between PEAK and PJV. These include the Environmental Management System, Sustainability Framework, Appropriate Use of Mercury, Updating of Mine Closure Strategy, the Social Impact Statement, Illegal Mining and the Waste Dumps Rehabilitation. No doubt PEAK and PJV will work towards resolving these issues in due course.

PEAK Work Plan

A number of planned activities scheduled for 2008 were not progressed further due to the unavailability of sub-Committee members and the lack of follow up by the Chairman and the Executive Officer. However, several activities were undertaken as per the 2008 Work Plan. A HIV-AIDS Survey was carried out by Marie Mondiu of "stakeholder involvement in dealing with HIV-AIDS and unmet needs in Porgera at the present time" and completed in May. At present there is no follow up on four of the recommendations in her report.

Another activity which has been ongoing for nearly 12 months is the "The Strickland River Report Card". A number of meetings had been held in Brisbane by PEAK sub-Committee members under the chairmanship of Professor Barry Hart of the Water Science Pty Ltd and members of the Australian Rivers Institute under Professor Stuart Bunn to put together a report card from environmental data provided by PJV into a 2-3 page document that is simple to understand. It is anticipated that a draft report will be available for presentation to the next PEAK meeting in April 2009.

Membership

Under the revised Constitution and resignation of one member, it was necessary to fill this vacancy as soon as possible. PEAK felt it was essential to appoint an aquatic biologist to provide additional professional input to PEAK. Mr Augustine Mungkaje from the University of Papua New Guinea was accepted by PEAK to fit that role and was accepted as a member in April 2008. With the resignation of Dr Amean in early 2008, it was not until the October

meeting that Mr Wakasa Albert Meksaen, Senior Officer of the Enga Administration was welcomed on board as a member of PEAK replacing Dr Amean. The only outstanding vacancy is that of a representative of the Porgera community.

Resignation of Executive Officer

The resignation of the Executive Officer, Ms Maryanne McDonald in June 2008 heavily impacted on the performance of PEAK for the remainder of the year. The Executive Officer played a key role in ensuring that meeting Agendas, Papers and Minutes were circulated to members on time; members of sub Committees were continually reminded of their tasks on sub-Committees and she liaised with other stakeholders who had some involvement in the work of PEAK. The Executive Officer was fully committed to the work of PEAK and Committee members acknowledged this.

The PEAK Executive Committee hired a firm in the interim to carry out a coordinating role and to advertise and fill the vacancy of the Executive Officer position. The Executive Committee recommended to the October meeting Ms Nadia Peni as the new Executive Officer.

As a result of these changes, a number of programmed activities have not been followed through from the April meeting. The up-dating of the web-site was delayed for several months with some difficulties also experienced with Datec. Reports, Minutes and highlights of the April and October meetings were not uploaded. As Chairman of PEAK I take full responsibility for these delays and with the appointment of the new Executive Officer, we shall work towards ensuring that PEAK continues to move forward in meeting its goals and vision in 2009.

Nigel R Agonia OBE
Chairman