

PEAK ASSOCIATION INC.  
(*Porgera Environmental Advisory Komiti*)

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MINUTES OF MEETING  
18<sup>th</sup> OCTOBER 2005  
HELD AT  
PORGERA MINE SITE

1. **OPENING OF THE MEETING:**

Nigel Agonia	Chairman
Bob Cogger	Director - Sustainable Development Group - PJV
Philip Gibbs	NGO Melanesian Institute
Professor Barry Hart	Technical Advisor - Water Science Pty Ltd, Melbourne, Australia
Beris Gwynne	Technical Advisor - FDC
Kay Kalim	Department of Environment & Conservation
Michael Kiap	PNG Government Technical Advisor
Martha Macintyre	NGO - Centre for the Study of Health & Science - University of Melbourne
Patricia Pepena	Department of Mining
Maryanne McDonald	Executive Officer

**OBSERVERS:**

Charlie Ross	PJV Environmental Manager
Mark Van Dusen	PJV Manager - Socio Economic Development

**APOLOGIES:** Mel Togolo, Peter Siba and Benedict Imbun.

The Chairman welcomed the Committee to the final meeting of PEAK for 2005, and briefly explained that the purpose of the Porgera meeting was to become familiar with the mine site and to meet the local community leaders.

It was reported that Ms. Sheroll Marsipal (Nominee from Department Of National Planning) had resigned from the Committee.

PEAK is to seek formal written resignation, and secure a formal nomination from the Department of National Planning and Rural Development.

2. **MATTERS ARISING FROM THE PREVIOUS MEETING:**

The minutes from the previous meeting were reviewed and the following amendments and comments noted: spelling correction on page 3 (waster replaced with water); draft work program, should reflect the environmental and socio-economic development initiatives and PEAK's Terms of Reference to be re-visited under Administration and Procedures.

The minutes *accepted as a true and correct record* - Moved by Mr. Cogger and Seconded by Ms. Gwynne.

3. **ADMINISTRATION AND PROCEDURES:**

3.1 **REVIEW OF PROCEDURES AND GUIDELINES:**

The Committee agreed to introduce the following:

- "Closed Forum" can be declared with nil reporting until a decision has been finalised. During the proceedings, members may be excused from the discussion. The Committee's decision will then officially be noted for the record.

- General communication requests/comments are to be directed through the Executive Officer and item incorporated into the agenda.
- On PJV related matters, the Executive Officer is to liaise with the Chairman to seek clarification through PJV - PEAK nominated representative.

### 3.2 NEW MEMBERS:

To be reviewed under PEAK's Terms of Reference (TOR).

### 3.3 REVIEW OF PEAK REGISTRATION:

- The Executive Officer is to explore the option of registering PEAK as an Association, as opposed to an Incorporated Association and report back to members. PEAK then to be registered with Investment Promotion Authority (IPA) and bank account to be opened by mid December. (*Subsequently agreed that PEAK was to be registered with IPA as an Incorporated Association*)
- BSP was proposed as PEAK's bankers. *Unanimously approved by the Committee.*
- Special meeting may be included in the March 2006 Meeting, should the Constitution require clarification.

### 3.3 2006 BUDGET:

Appendix "AA" tabled and approved by members. External funding to be sourced as PEAK expands its presence within the community.

It was unanimously agreed that expenses incurred by PEAK (i.e. accommodation/airfares etc) relating to "No Show" by Committee members at any forthcoming meetings, would be charged back to the individual, unless exceptional circumstances prevail.

### 3.5 2006 WORKPLAN:

Appendix "BB" tabled and a general discussion followed. The Committee felt there was a need to prioritise the recommendations as outlined in the Appendix, and where possible, local consultants should be engaged. Work in progress.

### 3.6 WEBSITE:

This is currently under review by the Executive Officer. The Committee's preference is for the engagement of a local company to complete PEAK's website, however should suitable resource prove to be unavailable, the Executive Officer has been tasked to explore alternative options.

### 3.7 STRATEGIC ACTION PLAN FOR 2006:

It was agreed that PEAK should play an active role in defining, evaluating, guiding and advising on suggested work plans to be undertaken by PJV and, where possible, should be in a position to review outcomes and offer recommendations on how the PJV Management and the Government might respond.

It was reported that PJV, through a directive of Placer Dome Niugini Ltd - Mr. Brad Gordon, is currently evaluating a proposal to commence an intensified re-settlement program, which will include a 'Socio-economic Assessment Study'.

PEAK members have been requested to provide advice on the TOR of the Study, and be involved in evaluating the final Study report.

Letter from the Miner's Association was tabled for discussion. The PEAK Chairman is to formally respond to the Association. It was noted that PEAK is not to address any

compensation issues associated with Porgera's environmental impact or activities in general.

PJV requested that PEAK seek a detailed explanation on the background issues, before assessing, and responding to communications from organisations and groups.

### **3.8 TERMS OF REFERENCE (TOR):**

The Committee reviewed PEAK's TOR and put forward several amendments, which have been accepted, and are to be incorporated into the final version. The revised TOR is to be circulated to all Committee members by the Executive Officer.

The Committee adopted the amendments to PEAK's TOR. Moved by Mr. Hart and seconded by Ms. Gwynne.

#### **3.8.1 MEMBERSHIP:**

It was agreed that a local community representative be identified, and an invitation be extended by the Chairman to attend the next PEAK meeting, with a view of joining PEAK.

The Chairman to formally seek nominations and alternates from the Porgera District Women's Association, the Enga Provincial Administrator, and any other group that will compliment the structure of the PEAK Committee, and add value. A short-list of candidates will be identified, and then after discussion and agreement, will be invited to present a brief overview at the March 2006 Meeting. The overview is to include a presentation of their qualifications, and a summary of their views on long-term sustainability within the region. The Committee will then consider all candidates, and make a decision for any new additions to PEAK.

It was unanimously agreed that under guidance from the Committee, PEAK would search for additional external funding.

### **4. SOCIO-ECONOMIC IMPACT ASSESSMENT:**

Reference was made to the Socio-economic Impact Assessment (SIA) that was commissioned prior to the commencement of the mine back in the 1980's. Since the last study, the mine has changed considerably and it was recommended that PJV consider undertaking a new SIA to review the impact of continuing mining operations will have on the community.

It was noted by PJV, that the communities are currently voicing their concerns surrounding the impact the mine is having on 'resettled communities'. PJV is examining a longer - term re-settlement program, which will enable the communities to re-establish sustainable livelihoods.

The Committee supported the completion of a new SIA, which will include an assessment consideration and projection, as to the community's current location and circumstances, as compared to where they are expected/predicted to be in another 20 years. PJV sought assistance from PEAK members in drafting the Terms of Reference of the SIA. The need to adopt "International Best Practice" was emphasised.

PEAK is to obtain and use documentation relative to Lihir Mines and its draft social protocols to assist PJV in developing its Terms of Reference. Approval for the disclosure of information is to be secured. The use of local consultants with suitable experience including Environmental Law was emphasised. PEAK is to provide recommendations.

PEAK members are to provide a draft Terms of Reference for consideration by PJV, with a need for PJV to achieve sustainable outcomes within the region, the valley and for the corporation.

5. **REVIEW OF CSIRO RECOMMENDATIONS AND 2001 REPORT:**

A review was circulated on the status of actions by PJV regarding the recommendations made in the CSIRO (1996) Review, which was prepared by Mr. Hart. It was noted that PEAK was initially established ten years ago, to review the CSIRO recommendations. The Environmental Monitoring Program (EMP) has since been established to tackle the outstanding CSIRO recommendations.

A copy of Mr. Hart's report is available through the Executive Officer.

A Resolution was passed by Ms. Pepena and Seconded by Mr. Hart for the formulation of a PEAK Sub-Committee to revisit the CSIRO recommendations, and provide PJV with a final report on its findings. The Sub Committee is to comprise of: Ms. Kalim, Mr. Kiap, Barry Hart, Ms. Pepena and Mr. Ross (PJV). The Report is to be presented at the March 2006 Meeting in Port Moresby.

6. **REVIEW OF THE ENVIRONMENTAL MONITORING PROGRAM:**

Mr. Charlie Ross - Manager Environment presented a detailed report covering the Environmental Monitoring Program (EMP)

Since the commencement of the program in October 2004, PJV has achieved a number of objectives related to the CSIRO recommendations.

These objectives include:

- ~The supply of available data to reviewers;
- ~The development of conceptual models of cause-effect pathways for mine derived contaminants;
- ~The division of the river system into zones based on river morphology and resource by humans, and the completion of an analysis of data sets for mine related impacts, which includes water quality, sediment geochemistry and aquatic biology.

On-going areas that require attention include:

- ~The development of site specific water quality criteria for SG2, which will be consistent with the provisions under the Environment Act; additional compliance from SG3 (160 km) to SG2 (40 km);
- ~The revision of the water quality compliance sampling regime and the revision of sediment sampling with periodic coring; sampling of sediments for Acid Rock Drainage (ARD) potential; ~The analysis of biology data for major changes to the mine operation; the revision of biological monitoring, and a focus on obtaining samples in areas such as the Oxbow Lakes on the Strickland floodplain.

In conclusion, it was noted the Review Team would meet in November 2005 and Professor Stuart Bunn has been tasked to prepare an overview of the EMP. PJV is to submit a final report to the Department of Environment and the Environment Council in early 2006 with an emphasis on implementing the revised EMP.

A copy of Mr. Ross's presentation is available through the Executive Officer.

7. **REVIEW OF ALTERNATIVE TAILINGS DISPOSAL METHODS:**

Mr. Ross continued with his presentation on the Tailings Disposal Options covering areas such as the tailings dam, cemented paste backfill underground and the co-disposal with waste rock.

7.1 **TAILINGS DISPOSAL OPTIONS:**

PJV is exploring a number of locations.

## **7.2 CEMENTED PASTE BACKFILL UNDERGROUND:**

Mr. Ross elaborated on the proven technology of solidifying tailings to a paste format by the removal of water, which can be transported via a pipeline to a nominated placement location. The paste moves through a pipe with little or no water bleeds when deposited. PJV are undertaking a Feasibility and Engineering Design to explore the most practical and economic method for mixing waste rock and tailings paste and where to obtain competent waste rock when the open pit closes.

The Committee acknowledged the initiative adopted by PJV in developing a methodology that had not been implemented by others, however, it is imperative that PEAK continues to place pressure on PJV to adopt international standards and to improve the system of tailings disposal and the impact this has on the environment.

A copy of Mr. Ross's presentation is available through the Executive Officer.

## **8. MINE CLOSURE PLAN:**

PJV has been working towards finalising a Mine Closure Plan since 2003. Two sub-committees have been established through the Porgera Mine Closure Committees (PMCC). The Bio-physical and Socio-economic Sub-committees meet quarterly, and are Chaired by a representative of the PNG Government. The PMCC consists of representatives from PJV, the Department of Mines, the Department of Environment and Conservation, and the Department of National Planning and Rural Development, as well as community and provincial and local level Government representatives.

It was recommended that PEAK establish a linkage with the PMCC, and request a copy of its minutes.

Under Law, all mines sites are required to submit a Mine Closure Plan, five (5) years prior to closure. A conscious effort is being adopted by PJV to ensure close consultation with as many stakeholders as possible, including the PNG Government.

PJV is committed to spending USD\$60 million to stabilise the West Wall, enabling the mine to continue with its operations. PJV is confident that the underground may provide an abundance of material, enabling the mine to continue its operations until 2016.

It was agreed that PJV would provide a map of the West Wall and North face location for the March 2006 PEAK meeting.

## **9. ILLEGAL MINING SITUATION:**

Mr. Cogger - Director of Sustainable Development Group - PJV provided a comprehensive update on the current status of the Illegal Miners at the site.

It was reported that whilst the number of illegal mining incidents had declined, there are still more than 30 - 40 incursions per day in the pit. Recently there have been three incidents involving mass incursions of over 500 illegal miners. In each case PJV personnel had to withdraw from the open pit floor, with serious loss of production. An intensive campaign is underway with Community Affairs to address these incursions. The Ministers for Mining and Environment & Conservation have also visited the site, and have taken out newspaper advertisements that indicate a more active position by the State in seeking a solution to this problem. In addition, PJV has completed a Risk Assessment Exercise and has applied to the Courts system under the Mining Act (S167) for the State to enforce the Law, and remove unauthorised individuals from the mine site. This will involve exploring options to combat the incursions, including: the possible deployment of GoPNG; mobile squads; closer involvement of the local police; intensify community awareness programs; the construction of a fence around the open pit area (using youth groups to provide labour) and intensifying a long-term sustainable development program for the region.

The Government Tripartite Review Committee's Terms of Reference are still under review with the National Executive Council (NEC), and membership is currently being discussed.

**10. ENVIRONMENT ACT:**

Ms. Kalim from the Department of Environment and Conservation provided a brief overview of the Environment Act 2000 and the requirements of the current legislation. The main features of the new legislation are the function and powers of the Minister and the responsibilities of the Director of Environment.

A copy of the Act is available through the Environment Council for a nominal fee. A copy of Ms. Kalim's presentation is available through the Executive Officer.

**11. MINING ACT:**

Ms. Pepena from the Department of Mines briefly outlined the current legislation that is under review and the background that has triggered the changes. A copy of the Act was circulated through the Executive Officer to the Committee members.

An update of the Mining Act will be available for the Committee members to examine at the March 2006 meeting in Port Moresby

A copy of Ms. Pepena's presentation is available through the Executive Officer.

**12. OVERVIEW OF THE CURRENT HIV AIDS SITUATION:**

NGO Representative and PEAK Members - Mr. Gibbs elaborated on his impression of HIV AIDS in the Porgera region. It was felt that because of the stigma attached to having HIV AIDS, many people were moving outside of the region for testing, thus the statistics circulated to the Committee were believed to be under estimate. Mr. Gibbs observed that Condoms are not readily available throughout Porgera and that some of the medical personnel are ill equipped to deal with the situation.

The Porgera region needs to adopt a range of positive approaches. This could be achieved by increasing the number of outlets for HIV testing, increasing the understanding and improving the knowledge of qualified personnel, and by acknowledgement of the problem by the community. These objectives could be partly achieved by the presentation and circulation of Mr. Gibbs' film production on HIV AIDS. Upon completion of the film, it will be copied to PJV and to the National Aids Council for circulation.

PJV acknowledged the work of Mr. Gibbs, as this presents PEAK and PJV with a model and a framework for moving forward and addressing this urgent issue. A copy of the film will be presented at the March 2006 PEAK meeting.

Mr. Van Dusen - PJV Manager for Socio- Economic Development advised that it was his responsibility to develop a partnership with an organization, with the aim of increasing the awareness of HIV AIDS within the region, with emphasis on uplifting knowledge within the younger generation.

**13. INWARD CORRESPONDENCE:**

It was unanimously agreed for Ms. Matilda Kona (Coordinator - Centre for Environmental Research & Development Inc) to be provided with an opportunity to make a presentation at the March 2006 Meeting. The Executive Officer is to facilitate the invitation.

All other correspondence was noted.

**14. ANY OTHER BUSINESS:**

**14.1 Porgera River Alluvial Miners Association:**

It was agreed that a letter be sent to the Chairman, acknowledging receipt of their correspondence, and advise that the matter (s) currently are currently under review by PJV. PEAK is to prepare a 2006 work plan and forward to the Association.

**14.2 Sitting Fees:**

Mr. Kiap is to submit a proposal for consideration by the Committee at the March 2006 PEAK meeting.

**14.3 Clarification on Government Representation on PEAK:**

The Executive Officer is to liaise with Government bodies in regards to their representation on PEAK.

**14.4 Work Plan - 2006:**

Ms. Gwynne provided a detailed summary of PEAK's visions, 2005 activities and 2006 objectives.

A copy of the presentation is to be formalised and circulated to Committee members for comments, and for inclusion on the agenda at the March 2006 PEAK meeting.

**14.5 Meeting with Porgera Community Leaders:**

Outcome documents of the three sub-committees (Social; Economic Prosperity and Environmental Concerns) were tabled.

**15. NEXT MEETING:**

The first meeting for 2006 will be held at Placer Dome Niugini Ltd's Office - Port Moresby on Monday, 13<sup>th</sup> March 2006.

**16. CLOSURE OF MEETING:**

The Chairman acknowledged the attendance of the Committee members and thanked PJV for their warm hospitality over the past 48 hours.

Being no other business, the meeting closed at 6:45 p.m.

**Signed as a true and correct document**

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**Chairman - Nigel R. Agonia, OBE**