

MINUTES OF THE MEETING

30TH - 31ST OCTOBER 2006
HELD AT
CROWNE PLAZA HOTEL
PORT MORESBY

1. OPENING OF THE MEETING - 30TH OCTOBER 2006.

Nigel R. Agonia, OBE	Chairman
Bob Cogger	Director - Sustainable Development Group - PJV
Philip Gibbs	NGO - Melanesian Institute
Paul Greener	Technical Advisor - FDC
Barry Hart	Technical Advisor - Water Sciences Ltd
Ben Imbun	Technical Advisor - University of West Sydney
Kay Kalim	Observer - Department of Environment & Conservation
Mellie Kaiulo	Porgera District Women's Association
Michael Kiap	PNG Government Technical Advisor
Pat Pepena	Observer - Department of Mining
Dagwin Luang-Suarkia	Technical Advisor - PNGIMR
Ila Temu	Barrick (PNG) Ltd
Maryanne McDonald	Executive Officer

APOLOGIES: Samson Amean and Martha Macintyre

The Chairman welcomed the Committee to the final meeting of PEAK for 2006, and briefly outlined the agenda for the extended two-day meeting.

2. MINUTES OF THE PREVIOUS MEETING:

The minutes from the previous meeting were reviewed and *accepted as a true and correct record*. Moved by Mr. Cogger and Seconded by Mr. Gibbs.

It was noted that Mr. Hart had tendered his resignation. Mr. Hart's services as an independent consultant had been secured by PJV on the Riverine Monitoring and Review Report and would be delivering an update at the Meeting. Motion

was carried that pending Tuesday's deliberations of PEAK Membership, M. Hart would be accepted as a member of PEAK for the October deliberations. Moved by Mr. Imbun and seconded by Mr. Gibbs.

3. INTRODUCTION OF NEW PEAK COMMITTEE MEMBERS:

The Chairman welcomed the new PEAK Committee Members to the October Meeting: Paul Greener; Dagwin Luang-Suarkia and Ila Temu.

4. PRESENTATIONS BY GUEST SPEAKERS:

The following Guest Speakers were welcomed by the Chairman to the PEAK October Meeting:

Keith Bentley	Centre for Environmental Health Pty Ltd
Jim McNamara	Coordinator - Environmental Chemistry - PJV
Bren Sheehy	Principle Consultant - Social Performance Services
Phil Stephenson	Mine General Manager - PJV
Jim Tyler	Environmental Manager - PJV
Mark Van Dusen	Manager - Socio Economic Development - PJV

4.1 THE SML RESETTLEMENT SOCIAL IMPACT ASSESSMENT:

Mr. Sheehy, URS Australia Pty Ltd delivered a detailed presentation on the Social Impact Assessment (SIA) for the proposed resettlement of landowner communities from PJV's Special Mining Lease area.

The report assessed the social impacts of the current mining operations and the relocation on SML communities; identified mitigation measures; explored the reconstruction and the long term sustainability of relocated communities and finally, examined PJV's operational needs through the Lands Management Program.

A copy of Mr. Sheehy's presentation was tabled at the meeting.

4.2 PORGERA RIVERINE MONITORING PROGRAM: REVIEW & OPTIMISM:

Prof. Hart, Water Science Pty Ltd provided a comprehensive update on the review of the current Porgera Riverine Monitoring Program. The presentation provided comments on the background to the review program and the risk-based approach adopted by the review team.

It was noted that PJV has made a significant and sustained commitment to developing a quality environmental monitoring program. The areas under review included: water quality; sediments; ecosystem health; human health; sampling design; quality control and assessment.

A copy of Prof. Hart's presentation was tabled at the meeting.

4.3 HEALTH RISK ASSESSMENT (HRA):

Dr. Bentley presented a detailed overview of the HRA. Between 2004 - 2005, PJV commissioned a HRA to address two main areas:

- Do the Porgera Valley and Porgera, Lagaip & Strickland Rivers & Lake Murray communities suffer discernible health effects attributable to the off-site releases of contaminant metals either directly from the mining operations or from tailings released to the catchment's areas ? and
- Are there ongoing environmental health problems for the local and down river communities arising from the mining activities at Porgera?

It was noted that a study to undertake direct measurement of unit consumption of foods is presently being completed to obtain more robust data to assist PJV's Annual Environmental Report, and for the longer term management of food resources in the region.

It was noted that the levels of mercury in the food at Lake Murray communities and human hair monitoring is indicative of mercury intakes above an acceptable level. This is not related to the PJV mining operations, but is a public health concern.

A copy of Dr. Bentley's presentation was tabled at the meeting.

4.4 PORGERA MINE OPERATIONS:

PJV Mine Manager - Mr. Stephenson delivered a comprehensive overview of the (a) mine sites current operations, (b) the challenges that it faces with emphasis on the West Wall; the Illegal Miners; the Hides Transmission Line; the Highlands Highway and Land Management and Relocation; and (c) the Porgera Mine Site's future development.

It was noted that the National Court process is continuing with excellent co-operation between PJV, the Royal Papua New Guinea Police Constabulary and the Department of Mining.

Serious Injury Frequency Rates were static for 2006 with a 113 day stretch from June to October 2006 without any serious injuries being reported. Overall,

Porgera's safety performance for 2006 is excellent. Mr. Stephenson emphasised the commitment by management to ensure that this continues.

A brief overview outlined the potential of a multi-million ounce pushback, but this expansion was subject to the completion of a comprehensive feasibility study and PJV approval.

In summary, PJV's greatest challenge is finding the right balance between short-term imperatives and long-term business viability.

A copy of Mr. Stephenson's presentation was tabled at the meeting.

4.5 PORGERA ENVIRONMENTAL PRESENTATION:

The newly appointed PJV Environmental Manager - Dr. Tyler provided a comprehensive presentation on PJV's Environmental Programmes and performance at Porgera with emphasis on: the River Monitoring Results; Monitoring Programme Review; the rehabilitation of the Kogai Stable Dump; Conservation International Survey of Mt. Kaijende; the Mine Closure Assessment; the Cyanide Code Compliance and Tailings Disposal options.

It was reported that all Barrick Sites are to conform to the International Cyanide Code by March 2008. PJV was reviewing its compliance with a focus on Ore processing and Tailings management, and the monitoring, transportation, handling and storage of waste material.

Various options were being examined by PJV on Tailings and these will form part of an ongoing feasibility study. Options for restraint include: engineering containment, cemented paste backfill underground and co-disposal with waste rock.

A copy of Dr. Tyler's presentation was tabled at the meeting.

4.6 PJV SOCIO - ECONOMIC DEVELOPMENT:

Mr. Van Dusen - PJV Manager - Socio Economic Development elaborated on the five year district plan to develop a framework that would enable the district to move forward.

PJV continues to support the free voluntary testing for HIV at Paiam hospital as well as among its staff. Over half of the staff has been tested and the rate is steady at about 2%. In the community, the rate is closer to 10% HIV+ for all tests done, which averages between about 200 - 250 per month. This includes testing at prenatal clinics.

PJV continues to work closely with John Clarke's coaching and remedial work in Grade 6, 8 and 10 and is supportive of agricultural training at the Porgera High School and Adult Literacy Programs.

PJV is working in partnership with Youth Ambassadors on resettlement, employment and contract issues and with the Porgera District Women's Association in developing programs that are designed to target leadership skills and governance programs. PJV is also working closely with other local and international organizations to address areas of concern such as health, education, law and order and capacity building.

A copy of Mr. Van Dusen's presentation was tabled at the meeting.

5. **CLOSURE OF THE DAY'S PROCEEDINGS:**

The Chairman thanked the Guest Speakers for their valuable and informative updates. Day one of the PEAK Meeting closed at 17:00.

TUESDAY, 31ST OCTOBER 2006

6. **OPENING OF THE MEETING:**

The Chairman opened day two of the October PEAK Meeting - 2006 at 08:00.

7. **OVERVIEW OF DAY ONE'S PROCEEDINGS:**

The Chairman provided a brief overview of day one's proceedings and led a round table discussion, inviting the Committee Members to elaborate on any of the outcomes from the presentations.

Generally, the presentations provided a useful and more definitive information benchmark of the Porgera operations that would enable PEAK to develop clear objectives for its 2007 Workplan.

The Committee Members discussed various protocol alternatives that would strengthen the reporting process between PJV, the Government and PEAK. The adoption of a 'report card' on the performance of the Mine Operations was suggested.

8. ADMINISTRATION & PROCEDURES:

8.1 NEW MEMBERS TO PEAK - 2007:

The Committee reviewed the curriculum vitae of two possible candidates, and discussed the value the two nominees would add to PEAK.

ACTION:

It was agreed that Mr. Kiap would contact Mr. Nalish, Acting Director of PNG Forest Research Institute Lae and provide a brief overview of the interview. Mr. Kiap is to deliver a report to PEAK by Monday 6th November.

RESOLUTION:

Mr. Nalish's application for membership was unanimously approved pending Mr. Kiap's report.

8.2 CONFIDENTIALITY AGREEMENT:

It was noted that all existing and new Committee Members are to sign a 'Code of Conduct' document that acts as a formal Agreement and Undertaking by the signed individual, to adhere to the principles of the Code of Conduct.

8.3 REVIEW OF SITTING FEES:

RESOLUTION:

It was unanimously agreed that the current sitting fee of Kina 200.00 per day per meeting be increased to Kina 500.00 per day per meeting effective immediately.

8.4 REVIEW OF REGISTRATION OF PEAK ASSOCIATION:

This is currently being finalized with the relevant Government Agencies with the assistance of PEAK'S Solicitors.

8.5 REVIEW OF PEAK WEBSITE:

A brief presentation was delivered by the Executive Officer on the proposed format of the 'new look' PEAK website. It was noted that its content may need to be updated once the website had been completed in order to reflect any changes that had occurred in the structure of PEAK and its objectives.

8.6 FINANCIAL REPORT, ACCOUNT SIGNATORIES AND BUDGET FOR 2007:

8.6.1 FINANCIAL REPORT

In the absence of the PEAK Treasurer, the Executive Officer presented the current financial standing of PEAK's operations and circulated a copy of the various expenses that had occurred throughout 2006. The Financial Reports were available for general viewing.

8.6.2 ACCOUNT SIGNATORIES:

RESOLUTION:

It was proposed by the Executive Officer and unanimously passed by the Committee that Dr. Temu be authorized to sign on the account.

8.6.3 BUDGET FOR 2007:

A draft budget has been prepared and submitted to PJV for their consideration. Approval for the 2007 Budget is under consideration and is subject to Barrick Gold Ltd's endorsement.

8.7 ADOPTION OF ADMINISTRATIVE PROCEDURES:

The following reports were prepared, circulated and approval sought for their adoption by PEAK:

Committee Charter; Rules for Sub Committees; Preparing a Memorandum of Understanding; Document Control and Human Resource Management

It was further suggested that PEAK adopt procedures for website content and the engagement of consultants.

RESOLUTION:

The above documents were unanimously approved by the Committee.

8.8 PEAK 2007 Meetings:

The first PEAK meeting for 2007, subject to confirmation with PJV Management, will be held at the Porgera Mine Site during the week commencing the 23rd of April 2007.

The second PEAK meeting for 2007 is to be held during the week commencing the 15th of October 2007.

8.9 ADMINISTRATIVE PROTOCOLS:

RESOLUTION:

The following procedures were unanimously adopted by the Committee:

- All general queries and/or requests are to be directed solely to the Chairman and the Executive Officer for appropriate action;
- The Chairman, as the official spokesperson of PEAK, will direct or request the Executive Officer, all issues to PJV, Barrick Gold Ltd and the appropriate Government Agencies;
- Approval, if required by the PEAK Committee is to be obtained via electronic mail;
- The Chairman, through the Executive Officer, will respond to all queries.

8.10 REVIEW OF PEAK MEMBERSHIP AND OBSERVER STATUS:

The Committee reviewed the current standing of its Membership as outlined in its Terms of Reference and incorporated into its Constitution.

The following changes were recommended for approval by the Committee:

- Prof. Hart to be re-appointed to the PEAK Committee as a 'specialist'; PJV to fund Prof. Hart's attendance.
- Mr. Kiap's status on the Committee to be amended from PNG Government Technical Advisor to 'specialist'
- PEAK's Membership to increase to 17 Members.

The Constitution to be amended under existing Clause 5 as follows:

- 1 Chairperson (Voting)
 - 2 Observers (Non Voting), and
 - 13 Members (Voting).
- (a) 6 members representing key institutions, including
- (i) 2 PNG Government Representatives from the Department of Mining and the Department of Environment and Conservation;
 - (ii) 1 Representative from Porgera Joint Venture ('PJV')
 - (iii) 1 Representative from Barrick (PNG) Ltd ('BPNGL')
 - (iv) 1 Representative from Porgera District Women's Association
 - (v) 1 Representative from Enga Provincial Government.

- (b) Up to 10 members who bring to PEAK individual specialist expertise, knowledge or networks of relevance to its work, and which include:
 - (i) At least one member who comes from the Porgera Communities;
 - (ii) At least two members with experience in NGOs or civil society institutions; and
 - (iii) Specialist from any organization with expertise relevant to sustainable development, and representing a balance of social, economic and environmental backgrounds.

The positions that are currently outstanding are one (1) member from the Porgera Communities and one (1) additional specialist.

It was proposed and endorsed by the Committee that PEAK recruit the services of a 'Geotech Specialist' to enhance the composition of the Committee.

Clause number 5 (i) to be amended as follows:

At every Annual General Meeting of PEAK subsequent to the first Annual General Meeting, all members of the Committee will retire from office and will be eligible for re-election in the ensuing year.

RESOLUTION:

The motion was moved by Mr. Cogger and seconded by Mr. Gibbs.

8.11 REVIEW OF CONSTITUTION:

The PEAK Constitution is currently under review by the Executive Officer, who expressed her concern with the level of professionalism that had been afforded to PEAK by its solicitors.

The Executive Officer has been tasked to review the Constitution in its entirety and to revert back to the PEAK Committee with recommendations for adoption. The revised Constitution is to incorporate the following clauses: Sub Committees; Office of PEAK and Quorum.

8.12 INWARD/OUTWARD CORRESPONDENCE:

Noted

9. PROJECTS AND PROGRAMS TO BE IMPLEMENTED 2006 - 2007

9.1 PEAK ANNUAL WORK PLAN - 2006:

The Committee reviewed the current work plan for 2006 and updated the status of each strategic focus. This included: Monitoring and Review; Advisory Services and Information Brokering and Communication.

A revised PEAK Annual Work Plan - 2006 is to be prepared and circulated to all Committee Members. The 2006 final version is to be uploaded on to the PEAK website for general viewing.

9.2 PEAK ANNUAL WORK PLAN - 2007:

The Committee agreed to establish a number of sub committees to undertake specific projects and subsequently recognized a number of activities for 2007. The Committee identified the members of the various Sub Committees, objectives and time frames for implementation.

The Executive Officer is to prepare a Work Plan for 2007 and is to circulate the draft version to the Committee for their endorsement.

10. CLOSURE OF THE MEETING:

The Chairman acknowledged the attendance by the Committee Members and thanked them for their time and valuable contribution to the extended October PEAK Meeting. PJV's assistance in facilitating the attendance of National and International Guest Speakers to deliver critical updates on the Mine Site and its activities was also noted.

Being no other business, the meeting closed at 17:00.

Signed as a true and correct document

Nigel R. Agonia, OBE / /