



HIDES GAS DEVELOPMENT COMPANY LTD

PNG LNG Project Upstream Umbrella Land Owner Company representing: • Hides PDL 1 & 7 • Angore, • Juha, • Komo Airport • Benaria pipeline • Kobalu

MEDIA RELEASE

HIDES GAS DEVELOPMENT COMPANY LTD (HGDC) AND WELEWI RESOURCES LIMITED AGREE TO CO-OPERATE AND JOINTLY EXPLORE BUSINESS OPPORTUNITIES IN THE STANLEY LNG PROJECT

PORT MORESBY (13/08/2013): Hides Gas Development Company Ltd (HGDC) and Welewi Resources Limited today agreed that they will co-operate and jointly explore business opportunities in the Stanley LNG Project.

HGDC is the umbrella landowner representing the interests of landowners covered under the scope of the upstream segment of the PNG LNG Project covering Hides Petroleum Development Licence (PDL) -1, Hides PDL- 7, Angore PDL -8, Juha PDL -9, Komo Airfield, Kobalu and Benaria Pipeline. The company is recognised and endorsed as such by Project operator Esso Highlands Limited and its partners in the PNG LNG Project.

Welewi Resources Limited is the umbrella landowner company of the Elevala and Ketu landowners of Petroleum Retention Licence (PRL) -12 in Kiunga, Western Province where the third LNG project is being proposed to be developed.

The two umbrella landowner companies agreed that they will explore business opportunities in the areas of skilled labour hire, security, catering and general camp services, camp construction and maintenance, light vehicle hire, plant and equipment hire, electrical and instrumentation, plant maintenance, radio telecommunications, camp maintenance and waste management, mechanical engineering, air, sea and land transport sectors, civil engineering and construction, property development, mineral exploration and mining agriculture and forestry.

While Welewi Resources Limited is the umbrella landowner company of the proposed Stanley LNG Project in the Western Province, HGDC will bring in its expertise in skilled labour hire, security, catering and general camp services, camp construction and maintenance, light vehicle hire, plant and equipment hire, camp maintenance and facilities maintenance and civil works and building construction.

HGDC Chairman Tuguyawini Libe Parindali said the agreement would pave the way forward for Hides Gas Development Company Ltd to use its expertise in providing services to the PNG LNG Project to assist another landowner company provide similar services in PNG 's third LNG project.

“As a leading landowner company, HGDC is delighted to be signing this agreement today as it demonstrates our commitment to further grow our company and at the same time build capacity of another landowner company,” Mr Parindali said.

“HGDC will do everything within our means to build up capacity of Welewi Resources Limited to establish and operate as an independent landowner company for the Stanley LNG Project.

“Our experience in providing services to the PNG LNG Project operator and its Engineering, Procurement and Construction contractors is a bonus to us as we will use the same experience and expertise in providing services to the Stanley LNG Project with our new partners Welewi Resources Limited.

“This is also our opportunity to provide employment to semi-skilled and skilled Papua New Guineans who have already worked for a LNG Project and are being demobilised as the construction phase of the PNG LNG Project slows down.”

Welewi Resources Ltd Chairman Mr Frank Hamesu said the National Government has declared a third LNG Project to be developed in the Western Province with gas sourced from the Stanley Gas Field.

He said while the project is going into development stages next year, the umbrella landowner company is working closely with Horizon Oil Papua Ltd, the project developer, to ensure development forums are held and necessary development licences granted by the State before the end of this year.

“HGDC and WRL will work together in partnership in negotiating securing and servicing contracts on the proposed LNG project in the Western Province and mutually share the benefits derived from such ventures,” Mr Hamesu said.

“WRL is happy that we have established a mutual working relationship with Hides Gas Development Company Ltd and we are signing this agreement today.

The General Manager of Welewi Resources Ltd Mr Teu Kokoreso said that this is the window of opportunity and there are greater benefits in sight for the landowners.



HGDC Chairman Tuguyawini Libe Parindali (third from right) sealing the signing of the Memorandum Of agreement with a handshake with Welewi Resources Ltd Chairman Frank Hamesu at the HGDC Boardroom in Port Moresby.

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If you have any queries regarding this statement, contact Eric Tapakau –Media and Public Affairs Coordinator on 321 4202 or 71903083 or email etapakau@hgdcpng.com