

8 Nov 2018**FOR IMMEDIATE RELEASE****PNG Power gets Enviro Energy Park Pricing wrong.**

Coal Power is not the only solution for efficient Energy in PNG is the comment from Mayur Power Generation Managing Director, Paul Maulder. His comments come after a series of incorrect stories continue to be published in the media. "Mayur Power Generation is not a one trick pony. We have energy solutions that cover Coal, Solar, Biomass and Gas." "We have articulated this over and over to numerous stakeholders, but some people are so focused on the Coal, that they are missing the real agenda." "Our Coal solution will set a pricing benchmark for IPP's Power Tariffs on the Ramu grid and keep it that way by committing to a domestic market obligation supply structure that will delink the coal price from the international energy market indexes. We need to move on from highly expensive and heavy pollutant power solutions like Diesel Gensets."

"In a recent article PNG Power Acting Managing Director was quoted as saying Coal is more expensive. If this is indeed what the Acting Managing Director said she has this wrong. The Enviro Energy Park power generation plant that uses coal has a life of asset average between USD7.9 cents and 9.9 cents kWh depending on generation size selected, while the current cost for PNG Power to purchase heavy fuel oil power in the Ramu grid is circa 25 cents USD\$ kWh, this is fact." "Yes the Enviro Energy Park uses Coal but also can use, Biomass, Solar and Co-Generated steam and is not the dirty and inefficient plants built from 30 years ago and independently has been proven to reduce emissions from current practice." "You could switch off all heavy fuel oil and diesel power generation on the Ramu grid, pay where applicable IPP standby charges and there would be over a 100 million Kina saving per year".

"As a diversified energy company we have additional energy solutions to be introduced into our Enviro Energy Park solution such as Gas, noting most countries of economic note around PNG has coal and to a lesser extent gas as the predominant energy sources in its overall energy mix. Where there is natural disasters such as earthquakes that PNG is prone to, which it unfortunately only recently experienced (where gas production was significantly disrupted), coal is your backup. If we have another earthquake in PNG in a similar vicinity as last time and Gas is the energy generation selected for major resource projects there needs to be a number of backups in the energy mix as alternatives and in operation so that energy is not stolen from industry just to keep the resource projects going."

"Japan, India, South East Asia all continue to invest in Coal Energy plants as Parris Accord Cop21 Signatories. Japan has already built 8 new Coal Power plants in the last 2 years and plans another 36 plants. Coal will continue to provide 26% of Japans power needs in 2030. Because Coal is cheap and far cleaner now through more advanced available technology. This is what we have in PNG, and with cheap cleaner power we can create many manufacturing and export market jobs, more industry and more taxes payable to the country."

"We are working with energy companies that dwarf the market capitalisation of the biggest mining companies in PNG and have acute experience in ensuring the right energy mix is adopted to provide safe, least cost environmentally superior energy outcomes".

"Energy Minister Sam Basil and MP John Russo have spent time reviewing the details and benchmarking in Australia and Asia similar plants hence signing off on the project".

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www.mayurresources.com*