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FOR IMMEDIATE RELEASE

Energy Mix can only 'Fool Proof' PNG from the next Earth Quake

Text: Whilst Mayur Resources has squarely positioned itself as an independent 100% PNG industrial minerals and energy player, it has received much press on its Lae Enviro Energy park for the use of coal in PNG. Mayur Managing Director says that "other forms of energy such as woodchip biomass, solar and cogeneration waste heat are being overlooked as well as the bigger energy mix drive for PNG".

Mr Mulder highlighted that in its cement and lime project for instance "gas was a very important energy source that it wished to utilise in the project". Mr Mulder said that its personnel were extremely high calibre in energy development and had also been approached about assisting PNG based hydro development project, that it was continuing to assess. Mr Mulder said "as an energy company we are focused on being fuel agnostic on the basis a better environmental outcome and cheaper more reliable cost of energy could be secured. Our focus is to contribute in developing for PNG an energy mix that diversifies and provides PNG protection against just having one or two energy sources at its disposal. Asian based economies have several forms of energy with coal and gas by and far being the largest but with increasing hydro and renewables. PNG is not immune to being, totally exposed to be able to supply long term cheap energy to the country should it not adopt an energy mix.

Mr Mulder added "Take for instance a future where 50% of PNG's power relied upon gas and there was another severe earth quake in the highlands but this time the outcome is more severe where the epicentre and landslides take out the Exxon & Total sites, what is PNG then left with? Whilst we all hope this is a remote outcome over many decades neighbouring economies around PNG have adopted a risk and cost based diversification plan that whilst focussing on least cost it ensures diversification and a broad base energy mix is adopted. All countries of economic note around PNG have a energy mix of gas, coal and hydro which is not going to largely change over the coming 2 decades, if one wants to test this look at India, Japan and China's forecast use of coal and gas – these are realities based in fact not some NGO putting up a photo of a 25 year old outdated coal plant that would never be allowed to be built in this day and age. This is the elephant in the room and we are willing to have the hard discussions about what works and push back when there are some that think for some reason PNG is magically immune from such tried and tested energy mix diversification requirements. The last 40 years since independence that has resulted in 13% electrification clearly has not worked, hydro and heavy fuel oil, diesel just are not diversified enough or least cost in combination and have held PNG back on the Human Development Index, economically, socially, health and thus the broader mix that South East Asia has adopted is clearly something PNG should plan off - anything else literally will ultimately result in the aftermath of a rabbit starring at headlights coming down the highway.

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www.mayurresources.com