






















ANNUAL REVIEW 2023



REGIONAL MAP

REGION MAP KEY

	Mine Area
	Nupmo
	Tutuwe
	Wai-Tri & Alice River
	Middle Fly
	Suki Fly Gogo
	Dudi - South Bank
	Manawete - North Bank
	Kiwaba
	International Border
	Provincial Border
	District Boundary
	Local Level Government Boundary
	Main Highway (Tabubil - Mill)
	Provincial Road
	Proposed Road
	Major OTML Environmental Monitoring Stations
	Sub District
	OTDF Field Base
	Mine Project Site
	Existing Representative Monitoring Sites



ARAFURA SEA

THE OK TEDI VISION IS:

We operate with excellence, maximising the value of our mineral resource in an environmentally responsible way, to deliver sustainable economic and social benefits to our communities and the people of PNG.

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HIGHLIGHTS & CHALLENGES

ECONOMIC

- > Contributed **3.3%** of PNG's GDP
- > **PGK 682 M** (USD 116 M) profit after tax
- > **PGK 450 M** (USD 121 M) dividend declared.
- > Provided foreign currency into PNG market

PEOPLE

- > **99%** of the workforce is of Papua New Guinean origin
- > **35%** from the Western Province and Preferred Area
- > **15%** Female workforce
- > **79%** of PNG based Manager positions were filled by PNG Nationals
- > Workforce of **2,741** persons
- > Invested **PGK 146 M** (1981 - 2023) on education and training of graduates, apprentices, trade trainees and school and university scholarships

SOCIAL

- > Payments into the PNG economy was approximately **PGK 3,214 M**
- > Total awarded contracts to PNG companies **PGK 1,007 M**
- > Contributed **PGK 137 M** to Tax Credit Scheme infrastructure projects
- > Procured **38%** of the total value of goods and **67%** of service contracts from PNG businesses

ENVIRONMENTAL

- > Mine invested **PGK 225 M** in environmental mitigation programs
- > Partial non-compliances regarding flow data and sludge from sewage treatment plant

SAFETY & OCCUPATIONAL HEALTH

- > The Total Recordable Injury Frequency Rate was **0.47**
- > Lost time injury was **1**

OUR MINE

OUR PRIDE

OUR FUTURE

To learn more about OTML and this annual review, visit: www.oktedi.com
or contact: corporatesocialresponsibility@oktedi.com





**100% PNG OWNED BY THE STATE AND LANDOWNERS
COMMITTED TO
"NOBODY GETS HURT"**

SINCE THE START OF MINING OPERATIONS IN 1984,
OTML HAS PRODUCED:

||| **5.25** MILLION TONNES COPPER

||||| **16.2** MILLION OUNCES GOLD

||||||| **37.2** MILLION OUNCES SILVER

13.4
PGK BILLION
DIVIDENDS
TO PNG SHAREHOLDERS

664
PGK MILLION
TAX CREDIT SCHEME
(1997-2023)

1.0
PGK BILLION
CMCA PAYMENTS
(2001 - 2023)

10.2
PGK BILLION
TAX/DUTIES

1.6
PGK BILLION
COMPENSATION

1.4
PGK BILLION
ROYALTIES

COMPANY PROFILE

Ok Tedi Mining Limited (OTML, or the Company) is a proudly 100% owned Papua New Guinea (PNG) company which has been mining copper, gold and silver at Mt Fubilan open pit operations for over 40 years.

OTML operates in a remote part of Western Province, with a registered office and senior management team located in Tabubil. Support operations are based in Tabubil, Kiunga Port and Bige. OTML also has a representative office in Port Moresby and a marketing and logistics office in Brisbane, Australia.

Benefits from the mine are directed to Western Province communities, specifically the Mine Villages, Community Mine Continuation Agreement (CMCA) communities, the Fly River Provincial Government (FRPG) and the Independent State of PNG. Success is measured by safety performance, financial performance, social development indicators and the management and mitigation of environmental impacts.

REPORT BOUNDARY

This Annual Review relates to the material activities of the Ok Tedi mining operations comprising the mining and processing of ore from the Mt Fubilan deposit, the transportation of slurry concentrates to Kiunga and the shipping to the transfer vessel in Port Moresby. This report does not cover the copper concentrate product after transfer from the Company's silo vessel onto export vessels.

This Annual Review covers the 2023 calendar year with 2022 comparatives (where available), and also includes forward looking information for 2024. Historical data can be found on the Ok Tedi website (<https://oktedi.com/>) in previous Annual Reviews.

The 2023 Annual Review includes assurance against the Global Reporting Initiative (GRI) and Global Reporting Initiative (GRI). An e-copy is available on the website, and a printed copy is available from OTML. The OTML Financial Statements for 2023 can be found on the Company website.

The financial statements have been prepared in accordance with the PNG Companies Act of 1997 and these comply with the International Financial Reporting Standards (IFRS) and other generally accepted PNG accounting practices. External auditor, PricewaterhouseCoopers (PwC) has verified the financial statement, and these are included in this report.

The GRI Standards guidelines have been used to guide the disclosure of non-financial material information. The GRI reporting has been selectively verified externally by Materiality Counts Pty Ltd and the verification statement is included in this report.

OTML's performance data is presented in the metric system. Unless otherwise stated, all monetary amounts are quoted in PGK (Papua New Guinea Kina) and/or USD (United States Dollars).

CHANGES AND/OR RESTATEMENTS FOR THE 2022 ANNUAL REVIEW

If erroneous data or information was published in 2022 Annual Review, then acknowledgement of the error/s is mentioned and rectified in the current Annual Review.

In the 2022 Annual Report on page 39 the taxes and levies paid to PNG Government of PGK 251.8 million (M) should be PGK 254.1 M. The CMCA payments number of PGK 49.63 M should be PGK 49.31 M. The compensation payments number of PGK 61.09 M should be PGK 76.9 M. Thus, the sub total for taxes and levies paid to PNG Government, Dividend paid, CMCA and Compensation was incorrectly reported as PGK 662.52 M and should be PGK 680.31 M. The entire table total number reported as PGK 2,776.32 M, should be 2,794.1 M. Lastly, the table on page 42 under CMCA (PGK M) was reported as PGK 32.73 M and should be PGK 44.0 M.





THE OK TEDI VALUES THAT GUIDE EXPECTED BEHAVIOURS OF ALL PEOPLE IN OUR COMPANY ARE:



SAFETY & ENVIRONMENT

We care about our employees, business partners and our communities by working to ensure nobody gets hurt and to manage our impact on our environment.



INTEGRITY

We expect honesty, fairness and respect. We do not lie, cheat or steal.



ACCOUNTABILITY

We take personal responsibility for meeting our commitments.



PERFORMANCE

We give our best everyday and seek to continuously improve.



TEAMWORK

We support each other to achieve our common goals. We are One Team, Wan Pasin.



SUSTAINABILITY

We do not waste the resources available to us. We use only what we need and conserve what we can.



Image:

THE OK TEDI VISION IS:

We operate with excellence, maximising the value of our mineral resource in an environmentally responsible way, to deliver sustainable economic and social benefits to our communities and the people of PNG.

OTML HAS BEEN OPERATING SUCCESSFULLY IN PNG FOR OVER 40 YEARS EXTRACTING **COPPER, GOLD AND SILVER** FROM THE MT FUBILAN OPEN PIT.

OUR GOAL IS THAT “**NOBODY GETS HURT, OPERATING AS ONE INTEGRATED TEAM FROM PIT TO PORT; A HIGH-PERFORMANCE ORGANISATION WITH EMPLOYEES PROUD TO BE PART OF A SUCCESSFUL PNG-OWNED COMPANY**”.

CHAIRMAN REPORT

I am pleased to present this report to shareholders on the 2023 year having been appointed Chairman at the start of this year.

The year 2023 was a transformative one for Ok Tedi with Mr Kedi Ilimit appointed as the new Managing Director and Chief Executive Officer. Kedi, who was previously the Deputy CEO, was appointed after a thorough international search and commences the new role with a deep understanding of the Ok Tedi operation and business. This change in leadership was the catalyst for a comprehensive overhaul of restoring, resetting, and reinvigorating the entire business with a senior leadership team restructure, strategic emphasis on business improvement, cost efficiencies and liquidity, stakeholder engagement, long-term planning, and implementation of Tax Credit Projects aligned to the National Government Strategy 2050.

A high priority of the Board is progressing options to further extend mine life that consider the commercial value of Ok Tedi and account for the social benefits generated to our key stakeholders. Ok Tedi is investing in its people and infrastructure to ensure sustainable value and dividends are delivered to our stakeholders in an environmentally and socially responsible way today, and into the future.

In September 2023, the OTML Board approved an updated strategic business plan that included viable options to extend the mine life to 2050. This extension is expected to usher in significant sustainable development for mine operation impacted communities, Western Province and PNG. OTML forecasts over PGK 30 billion (US 8.0 billion) in social benefits which includes taxes, royalties and dividend payments over the next 27 years.

We had an unfortunate start to the year with the untimely passing of a contractor employee creating a stigma in our safety performance for the year. It is imperative to note that our people remain our greatest asset, thus supporting our safety and health initiatives in 2023 and beyond is critical to our future.

During the year, one lost time and nine total recordable injuries were recorded which equated to a Lost Time Injury Frequency Rate of 0.05 and a Total Recordable Injury Rate of 0.47. This outcome is an improvement compared to 2022 where there were three lost time injuries and 17 total recordable injuries.

A key initiative to meet our goal of no injuries was through the safety behavioural coaching program. Such a program yielded step change improvement in 2018 and 2019 before being curtailed during the pandemic. The program was reinvigorated in the second half of 2022 with an extended focus to reach our business partners where more than 80% of injuries are incurred. In 2023 we continued to implement the revised safety plan and focused on building tools, consistency and sustainability and re-enforcing the foundation of the safety systems, process, and behavioural safety aspects of the workforce.

The El Niño weather onset affected OTML operations in the last few months of the year, however the Company had implemented its dry weather management plan to see it through the challenges.

Despite these challenges the Company was able to increase copper and gold production by 18% and 3% respectively and generate a profit after tax of PGK 686 M (2022: PGK 301 M) and declare a PGK 450 M dividend distribution to shareholders (2022: PGK 300 M).

With the continued interest rate rises and inflation still sitting above most central banks' targets, the demand for copper and gold remains strong; our customers have remained loyal, and we value their continued support.

Another area of priority is to continue to invest in our people. Ok Tedi already runs with a high level of local labour with more than 99% of employees being PNG Nationals. We are proud of this achievement. The Board remains committed to developing our national leaders to progressively take on senior management roles.

As discussed previously, the Board and management priority is on the life of mine extension and developing national talent. In the short to medium term, the focus is on successfully completing the transition to higher grade ore sources liberated by the Crusher Replacement Project in 2021. Whilst this transition was extended by the impact of the pandemics it will continue throughout 2024. The Company is pleased to report that mine production is returning to pre-pandemic levels. The Board also continues to invest in renewal of the ageing processing facility to cater for extended mine life with the Processing Asset Renewal project progressing towards completion in early 2025.



OTML has also initiated a program to work focused on our ESG credentials to align with our vision: 'We operate with excellence, maximising the value of our mineral resource, in an environmentally responsible way, to deliver sustainable economic and social benefits to our communities and the people of PNG.'

As we look ahead, the Company extends its appreciation to management, our employees, business partners and communities for their ongoing efforts and contribution in 2023 and look forward to your continued support. I am extremely confident we will continue to deliver returns to our stakeholders and maintain an environmentally and sustainable operation. I wish to acknowledge the great work and support of the Board of OTML in supporting me to provide the necessary resources to our OTML team to deliver safely and productively on our goals.

As we move forward into 2024, it is likely the new year will bring its share of challenges, however I am confident that as a team, the Ok Tedi workforce will deliver to our Communities, our Province, and our Country.

MR JEFFREY INNES
Chairman

MANAGING DIRECTOR AND CEO'S REPORT

I am deeply honoured to present this report to our stakeholders as the Managing Director and Chief Executive Officer of OTML, having been appointed in April 2023.

Working closely with the board we have made major organisational changes to the leadership and management team, as we refocus the business on a “restore, reset and reinvigorate” program. As a result, we have seen substantial improvements in our safety performance, production levels and operational costs. It has also been evident in our key stakeholder engagements, where relationships have been strengthened.

The changes we implemented were demonstrated by a strong commitment from our employees and business partners resulting in substantial safety performance improvement. In 2023, we reported one lost time injury (LTI), nine total recordable injuries (TRI) and eight significant incidents (SI). This resulted in frequency rates of 0.05, 0.47 and 0.42 respectively, which was a more than a 50% reduction compared to 2022.

Our safety vision is that ‘Nobody Gets Hurt’ and this remains the goal. We identified common risk areas including light vehicles, electrical fire, lifting and suspended loads and used the themes of “Light vehicle and mobile equipment safety” for (NMSW). In addition, we continued to implement our three-year safety plan aimed at improving and enhancing our current safety systems, processes and programs to shape workplace safety behaviours.

As part of our reset initiative, we continue to promote competent PNG professionals into senior leadership roles. In 2023, OTML increased qualified PNG staff in management positions to 78.80% compared to 66.67% in 2022. Likewise, there was an increase in PNG competent and qualified national executive positions to 57.14% in 2023 compared to 36.36% in 2022. We will continue to fill more senior roles in 2024, and I look forward to working with all our employees and business partners to meet the company's vision.

Our social obligations underpin our relationships with key stakeholders. Our current social license was signed in 2012/2013 and expires in 2025.

In 2024, the CMCA Extension Formal Review Project will recommence, which will aim to obtain consent from the 158 mine impacted villages to extend the social license to 2033. Initial stakeholder meetings commenced in October 2023 with OTML convening a two-day meeting with over 100 stakeholders to start the awareness process for the upcoming CMCA review in early 2024.

The Life Of Mine (LOM) extension to 2050, reaffirms OTML's commitment to the communities and government that the business can generate sustainable growth, economic prosperity, and community well-being through responsible environmental programs, community development and operational excellence.

Regular communication and meetings with communities continue to be facilitated by the OTML Community Relations (CR) team. Engagement through the CR team allows stakeholder groups to raise issues with OTML and the State that impact their livelihoods and educate OTML on environmental impacts, compensation requirements and social responsibility programs lead through (OTDF).

In 2023, OTML paid over PGK 3,217 M to local communities and the PNG economy, a 15.2% increase compared to 2022 (PGK 2,792 M).

We continue to focus on managing environmental impacts and investing in mitigation and monitoring programs. This past year, PGK 225.14 M was spent on environmental mitigation programs, primarily aimed to reduce the impact of downstream sedimentation and stabilise downstream water quality. The operation is undertaking a number of strategic projects that will enhance the environment including the Open Cut East Wall Cut Back, Construction of the Engineered Waste Rock Dump (EWRD), Support Infrastructure Renewal, the Tailings Storage Facility (TSF) study and the Cleaner Safer Haul Truck Re-fleeting project. These projects will reduce the environmental impacts, cleaner and safer power generation, energy-efficient housing and accommodation, and environmentally conscious transportation.

The EWRD, designed in 2021, continued construction throughout 2023. There were some construction delays in 2023, however work re-commenced in 2024. This project is key to reducing sediment loads from mine waste rock to the riverine system from future mining developments.

Looking ahead, OTML forecasts sustainable growth up to 2050, with a particular focus on energy transition from thermal to a greener energy mix.

Total material mined (ore and waste) in 2023 was 87,101 kt this was a slight increase from 2022 (86,703 kt).

Mine production decreased by 6% (2022: 104.7 Mt, 2023: 98.7 Mt) due to dry weather challenges in the last quarter of the year which restricted fuel transport up the Fly River. We were able to increase copper production by 18% compared to 2022 because of higher head grade and increased recovery. Similarly, gold production increased by 3% due to higher head grade though there was a lower recovery and mill throughput tonnes.

In 2024, and through to 2026, we seek to transition to higher grade ore sources from the East Wall of the Fubilan pit. In doing so, we look to achieving an increase in annual mine production to 104 Mt per annum.

Total operating costs in 2023 were PGK 3.0 billion, which was PGK 38 M lower than in 2022. The profit after tax was PGK 682 M significantly higher (PGK 301 M) than in 2022.



Since mining operations commenced in 1984, the mine has generated PGK 13 billion in dividends to PNG shareholders, PGK 10.2 billion in taxes/duties, PGK 1.6 billion in compensation payments, and PGK 1.4 billion in royalties.

The mine has also paid PGK 1.0 billion in CMCA payments since 2001 and spent PGK 515 M on Tax Credit Scheme (TCS) projects since 1997.

We are proud to say that OTML is committed to delivering maximum returns to our PNG shareholders, mine impacted communities and the people of PNG.

Finally, I extend my heartfelt gratitude to all Ok Tedi employees, their families and business partners for their unwavering dedication and hard work. We deeply appreciate the ongoing support from our communities, customers, shareholders, and suppliers, which has been invaluable. As we look ahead, we remain optimistic about the future and are committed to achieving continued success together.

A handwritten signature in black ink, appearing to read 'Kedi Ilimbit', written in a cursive style.

MR. KEDI ILIMBIT
Managing Director & Chief Operating Officer

GOVERNANCE

OTML is an unlisted majority PNG State Owned Enterprise operating in accordance with the PNG Companies Act (1997). The Company is committed to maintaining robust corporate governance practices.

OK TEDI BOARD OF DIRECTORS

The Board of Directors (the Board) is primarily responsible for the governance of OTML and operates in accordance with the Company's constitution and applicable legislation.

Board members are nominated by shareholders in accordance with the provisions of the Company's Constitution. The appointment of the Chairman is in accordance with Company Constitution. The Board has three standing committees: Environment Social and Governance, Audit and Risk, and Appointment and Remuneration.

In 2023 there were changes to the Ok Tedi board with a new Chairman, Board members and Managing Director appointed. This culminated in a restructuring of the executive leadership team and promotion of a number of senior Papua New Guineans into General Manager positions. Several departments were consolidated and restructured to improve efficiencies and managers were appointed to lead the business. These changes can be found on the OkTedi web page.

The profile of each board member and description of each Committee function can be found on the OTML website, www.oktedi.com/about-us/board-of-directors.

The composition of the Ok Tedi Board of Directors and details of the Company Secretary as of 21 February 2024 when statutory accounts were approved are shown in the table below.

YEAR 2023				
BOARD MEMBER	POSITION	STATUS	DATE APPOINTED	COMMITTEE FUNCTION
Jeffrey Innes	Chairman	Independent Director	18 January 2023	Chairman - Appointments Remuneration
Kedi Ilimbit	Managing Director and CEO	Ex Officio	17 April 2023	Member- Appointment and Remuneration
Augustine Mano	Non-executive Director	Director nominated by pooled interest of Western Province Entities.	23 August 2018	Chairman - Audit and Risk
Robert Kaiyun	Non-executive Director	Director nominated by pooled interest of Western Province Entities.	23 August 2018	Member - Environment Social and Governance
Bonny Ninai	Non-executive Director	Director nominated by Kumul Minerals (Ok Tedi) Limited.	12 November 2021	Chairman - Environment Social and Governance
Marjella Meles	Non-executive Director	Director nominated by Kumul Minerals (Ok Tedi) Limited.	18 May 2022	Member - Environment Social and Governance
Dr Ila Temu	Non-executive Director	Director nominated by Kumul Minerals (Ok Tedi) Limited.	18 January 2023	Member - Audit and Risk
Sarimu Kanu	Non-executive Director	Director nominated by Kumul Minerals (Ok Tedi) Limited.	18 May 2023	Member - Appointments Remuneration
Catherine Costello	Company Secretary		14 December 2023	Company Secretary

During the year Mr Cameron Clark, Company Secretary, resigned and was replaced on an interim basis by Mr Mark Stone, until 14 December 2023 when Ms Catherine Costello was appointed.

During the year the board met on nine occasions and the standing committees on two occasions each.

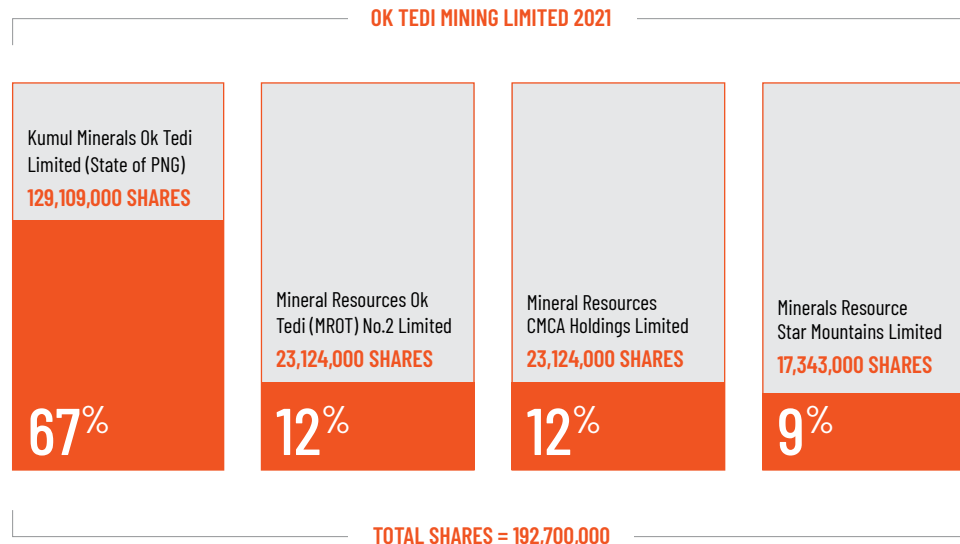
BOARD MAIN ISSUES

During 2023, the Board and standing committees met on nine occasions to consider the following issues:

- approval of key economic assumptions used for planning purposes.
- approval of the 2023 Strategic Business Plan including the Growth 2050 mine life extension and the 2024 Annual Budget.
- approval of changes to the executive management team.
- approval of updated policies and guidelines.
- review of strategic projects progress.
- review and approval of matters exceeding the delegated authority of management.
- review of operating and business performance against plan.
- distribution of profits to shareholders.

SHAREHOLDER STRUCTURE

The shareholding structure for OTML at 31 December 2023 is shown below with Kumul Minerals Ok Tedi Ltd (State of PNG) holding 67% and Western Province entities 33%.



CODE OF CONDUCT AND BUSINESS ETHICS

The Code of Conduct and Business Ethics (the Code) provides guidance to directors, employees and stakeholders on adhering to the highest standards of business conduct and compliance with the law and best practise. The Code covers the use of the Company's resources and information, fraud, confidentiality and proprietary information, conflict of interest, gifts and entertainment, outside directorships, financial inducements and political contributions.

EXTERNAL STANDARDS, INITIATIVES AND GUIDELINES

The Company benchmarks its performance against the following PNG and international standards, initiatives and guidelines:

- PNG Companies Act, 1997.
- Mining Act.
- Mining (Safety) Act and Regulations.
- International Financial Reporting Standards (IFRS); AS/ NZS ISO31000:2009, Risk Management, Principles and Guidelines.
- OHSAS 18001:2007, the International Safety Management Standard.
- ISO14001:2004, the International Standard for Environmental Management Systems.
- The GRI Universal Standards Sustainability Reporting Framework and Guidelines.

The Company complied with its various licences and permits during 2023.

RISK MANAGEMENT AND THE PRECAUTIONARY APPROACH

OTML uses a risk-based approach to guide the Company through the identification of major hazards and risks in the workplace and from external sources that could impact on the business.

Enterprise Risk Management is used when evaluating economic, environmental or social aspects of mining projects and major changes to the business. Significant risks are addressed through the annual strategic business plan.

The Board reviews significant business risks with the assistance of established standing committees. The precautionary principle is applied where there may be a lack of evidence to assist in the development of appropriate management plans.

REPORTING

This Annual Review provides a comprehensive overview of the Company's activities and financial outcomes. The financial statutory accounts of the report are audited by PwC PNG against the IFRS and other generally accepted accounting practices in PNG.

The non-financial reporting aspects of the Annual Review have been developed using the GRI Standards Core reporting guidance. The specific Disclosure on Management Approach and indicator summary is located in the back of this report and the content has been partially verified against the GRI requirements by Materiality Counts Pty Ltd.

AUDITING

INSURANCE AUDIT

In February 2024, The International Mining Industry Underwriters (IMIU) completed a site-based annual operational risk external audit. OTML has continued to implement recommendations from previous audits and maintained a better than average commercial attractiveness to insurers. The 2024 IMIU audit has ranked OTML operations in the 'low-moderate risk' zone.

FINANCIAL AUDIT

The financial statements of the Company for the year ending 31 December 2023 have been audited by PwC PNG and its Independent Auditor's Report is included in the Financial Statements.

MATERIALITY

OTML has prepared the 2023 Annual Review with reference to GRI Universal Standards '1-3', Topic Standards '200-400' and the Mining and Metals Supplement to address OTML's material topics.

MATERIALITY

OTML recognises development of the GRI Sector Standard for Mining currently is in draft. Once finalised and approved OTML will commence reporting in the future against the Sector Standard for Mining.

OTML has used a broad principled prioritisation to identify the material topics (GRI Universal Standard 3) through strategic reviews, internal risk registers, major hazard reviews and the collation of information from internal and external sources. There is interconnectivity with the risks to people, environment, business operations and services.

OTML's sphere of influence has a broad reach across Western Province and also at a National level. OTML undertakes regular formal and informal consultation with the various stakeholder groups.

ISSUE	KEY STAKEHOLDERS CONCERNED	ISSUE DESCRIPTION	GRI STANDARD	ANNUAL REVIEW SECTION
Delivery of the Strategic Business Plan	OTML, Government, Communities and Suppliers	Meet planned mining and processing production rates, balanced with management of safety, technical, environmental, social and operational challenges.	Economic 201-204	Business Review and Outlook
Nobody Gets Hurt	OTML, Employees, Contractors and Government	Achieving zero harm to employees and contractors. This has included COVID-19 management.	OHS 403	Safety
Waste rock, tailings and pyrite management	OTML, Communities and Government	Waste rock and tailings impacting the riverine system. To remain compliant with Environment Regime.	Environment 301-307	Environment
Community development projects and consultation	OTML, Communities and Government	CMCA community agreements rely on OTML, Ok Tedi Development Foundation (OTDF) and Tax Credit Scheme (TCS) social development and infrastructure project delivery.	Social and Economic 2, 201, 203	Social Responsibility and OTDF AR
Peoples' ability to execute operations strategy and plans	OTML, Employees, Government and Communities	Skilled competent people are required to deliver OTML's strategy and plans.	People 201, 404	People



SAFETY

OTML commenced in 2022 a three-year safety plan which aligns with and supports the company's vision, to operate with excellence and work towards the safety goal of "Nobody Gets Hurt. No Harm".

The safety plan sets out a pathway to improve current safety systems, process and programs with the intent to positively influence workplace safety behaviours to transition the safety culture of "compliance" to "committed and mature".

In addition, a more 'strategic & risk based' approach was adopted for the plan with the aim to channel existing resources towards identified business challenges to encourage positive impacts on the safety culture and trends.

The first year of the plan focused on "resetting, reinvigorating and re-enforcing the foundation" of the safety systems, processes, and behavioural safety aspects of the workforce. In 2023 the implementation focussed on "building tools, consistency and sustainability".

The five main pillars of the plan consist of:

1. Behavioural Safety
2. Systems & Standards
3. Risk Management
4. Occupational Health & Hygiene
5. Business partner engagement and management.

The key deliverables under these pillars were:

SAFETY BEHAVIOURAL COACHING PROGRAM

Re-invigorate the Safety Behavioural Coaching Program (Advance Safety Awareness) to prioritise 'high risk targeted' workgroups and increase Business Partners coaching. The safety coaching, utilising one- on-one sessions, aiming to increase personnel safety awareness and influence the mindset and behaviours that contribute to workplace injuries and incidents. A total of 1,296 employees and Business Partners completed coaching in 2023.

MAJOR HAZARD RISK STUDIES

Mobile Equipment and Vehicle Interaction Safety accounted for greater than 50% of significant incidents in 2022. As a result, this was the 2023 major hazard focus. This was highlighted in the National Mine Safety Week (NMSW), where the theme was on "Light Vehicle and Mobile Equipment Safety". Key controls for this major hazard were reinforced through targeted programs, activities, and topics of discussion. In addition, OTML rolled out the Safe Driving Rewards Program in January 2023. This program is designed to encourage driving safe behaviours and fit for purpose vehicles onsite to reduce the risk of vehicle and mobile equipment incidents.

SAFETY SYSTEM IMPROVEMENT

In collaboration with the OK Tedi Way Project, a review of the safety systems was undertaken so they are fit for purpose and could interface with other business systems. This included setup of safety dashboards and information portal for easy access, tracking and monitoring of trends, regulatory and compliance checks and actions for close out by employees and Business Partners.

BUSINESS PARTNER ENGAGEMENT

Collaboration and engagement were fostered between OTML and Business Partners by conducting an annual Business Partner forum, combined with inspections and validation check programs. This included participation in other existing OTML Safety Behavioural Programs, particularly with the Safety Behavioural Leadership Program (iLEAD). The aim of the program is to ensure that visible leadership of business partners at the shopfloor and site-specific safety risks are addressed.

SAFETY PERFORMANCE

OTML reports against the industry standard lagging indicators for Lost Time Injury Frequency Rate (LTIFR), Total recordable Injury Frequency Rate (TRIFR) and Significant Incident Frequency Rate (SIFR) combined for both employees and Business Partners.

In 2023, OTML reported nine serious injuries including a fatal incident where a contractor was run over by an uncontrolled vehicle movement. Eight significant incidents were reported with potential risks related to activities around light vehicle and mobile equipment, electrical fire, and lifting and suspended load.

Despite the fatality, serious injuries and significant incidents, the trend indicates an improved safety performance with >50% reduction in the SIFR and TRIFR for the year, the lowest rate recorded in the last two years of operation. Safety led initiatives and programs relating to critical controls for light vehicle and mobile equipment hazards are thought to have contributed to this overall improvement in performance. These hazards accounted for >50% of serious injuries in 2022.

Whilst favourable in an international mining context (see ICMM website: <https://www.icmm.com/en-gb/research/health-safety/benchmarking-2022-safety-data>), safety performance is never acceptable when a fatality is experienced.

Safety led initiatives and programs relating to critical controls for light vehicle and mobile equipment hazards are thought to have contributed to this overall improvement in performance.



THROUGH THE EVENTS INVESTIGATIONS, OTML SOUGHT TO IDENTIFY LESSONS THAT COULD BE SHARED AND APPLIED ACROSS OUR WHOLE ORGANISATION TO PREVENT OR SIGNIFICANTLY REDUCE THE LIKELIHOOD AND SEVERITY OF RECURRENCE, INCLUDING POTENTIAL ONGOING IMPROVEMENTS TO THE RISK FRAMEWORK AND UNDERPINNING CULTURE.

SAFETY (CONTINUED)

LEADING INDICATORS

The iLEAD system sets and monitors compliance by all levels of management against a defined expectation of leading safety activities including Inspections, Hazard Identifications and Observations and Interactions (O&Is) each month.

Inspections were down in 2023 due to Business Partners being stood down during the prolonged dry weather and the reduction of manning levels across various business departments. The number of observations and interactions conducted in 2023 improved due to increased iLead program participation by Business Partners, including employees in non-supervisory roles.

BEHAVIOUR BASED SAFETY

In April 2023, OTML participated in NMSW. The theme for NMSW 2023 was "Light Vehicle and Mobile Equipment Safety". Events occurred across all operational sites including the Mine, Mill, Tabubil, Bige, Kiunga and Port Moresby. The weeklong program was held to provide an opportunity to raise awareness and reinforce understanding on the importance of the theme with particular focus on the key controls for this major hazard through targeted programs, activities, and topics of discussion.

The program commenced with a fun run event to open the week. The theme was further reinstated through various activities, including utilisation of major hazard and key control checklist which saw workgroups out in the field using the checklist to review key controls in place for drivers, operation of vehicles and travel on highway.

A key highlight was the school visits conducted by the OK Tedi Women's Network and the Safety and Engineering Department who had representatives from the Mine, Tabubil and Kiunga speak on road safety. A range of activities including drawing, poem and an essay competition were also held to engage the children and heighten their awareness on the topic.

Whilst the program was held across OTML operations, there were site specific, and risk based tailored programs to suit individual operational work areas.

SAFETY TRAINING CAPABILITY

The table on page 19 includes the number of employees and hours worked for safety training courses presented in 2023 compared to those in 2022. There was a significant increase in refresher training in the Mining and Processing areas (56% and 416% respectively). This was primarily due to the migration of training records into the new Learning Management System. Refresher training was also required by shutdown personnel and permit renewals.

HEALTH & WELLNESS

The Company completed employment medicals (pre and periodical) for 3,733 candidates and employees in 2023 as part of its Wellness and Fitness for Duty program.

The Company applies a zero-tolerance policy for alcohol and drugs. In 2023, there were 265,255 blood alcohol tests of employees and contractors, with 26 positive results. There were also 4,007 illicit drug tests with six positive results.

OTML predominantly funds and manages the Tabubil hospital and local clinics which provide medical services to employees, contractors and the general community.

In 2023, hospital pathology staff identified 25 positive cases of Tuberculosis (TB), including 9 OTML employee and 16 contractors. Malaria testing identified 383 positive cases, including 137 OTML employees.

The Employee Assistance Program continues to provide personal and confidential counselling to employees on any matters affecting their wellbeing.

SECURITY

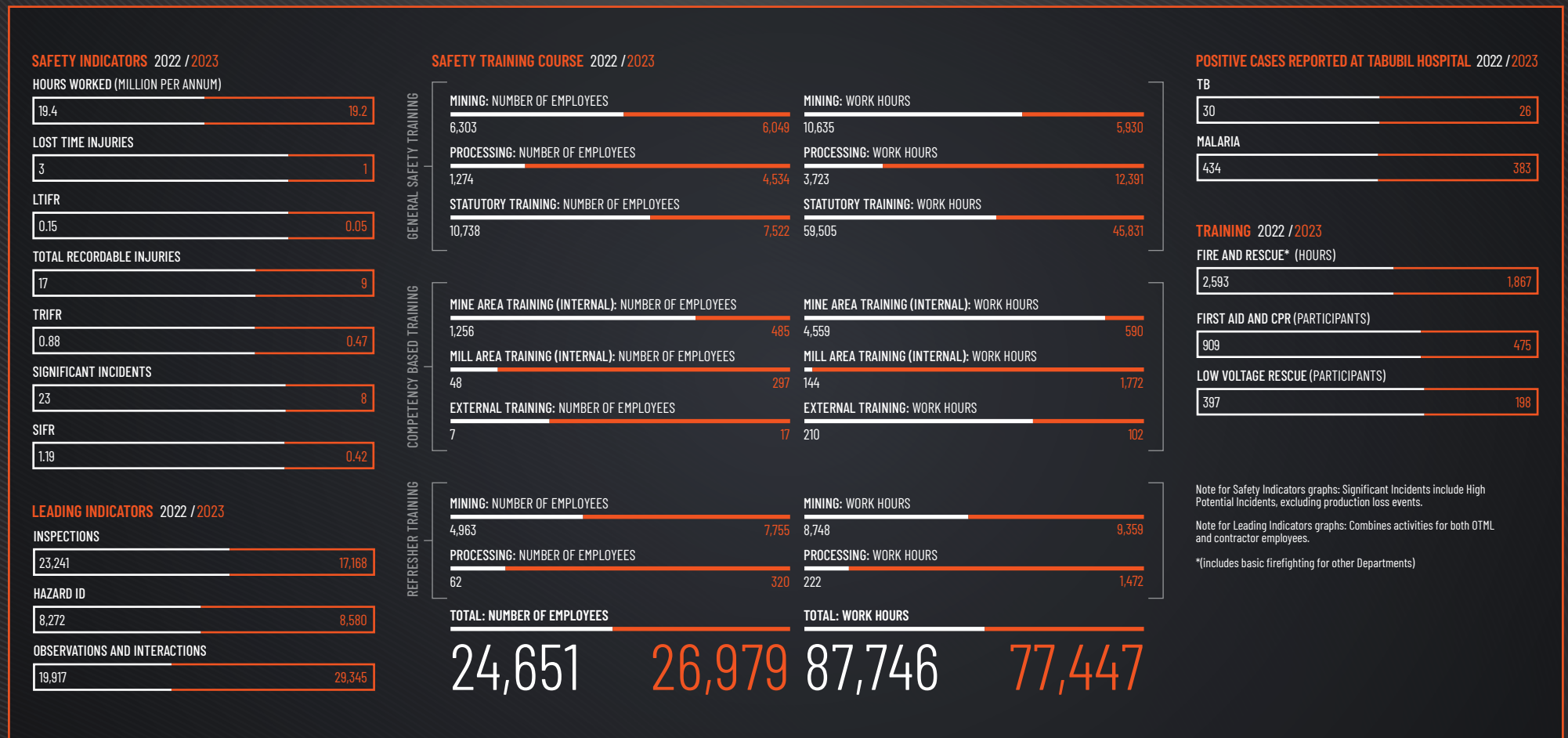
Security is managed by OTML's Asset Protection Department (APD), supported by contracted (unarmed) security guards, the Royal PNG Constabulary (RPNGC), Provincial Police and Mobile Squad personnel.

Human Rights Trainings are conducted by Trainers from the RPNGC College of Excellence, Bomana in partnership with United Nation office of the High Commissioner for Human Rights. The trainings are funded by APD OTML purposely to equip APD Security officers, Police and Security Contractors with the necessary knowledge and skills in human rights and emphasises on the actual implementation of these skills when performing security/policing duties.

No Human Rights Trainings were conducted in 2023 as HR trainers were engaged in other training activities. Training is intended for 2024. APD also provide emergency response through well-equipped and trained first responders. Onsite training in 2023 continued with 1,867 hours compared to 2,593 in 2022.

During 2023, there was a significant reduction in 'first aid' and 'low voltage rescue training'. This was primarily due to the dry weather restriction causing training to be temporarily suspended.

The following table shows the trend in safety indicators for each category over the past two years for combined OTML employees and Business Partners.



BUSINESS REVIEW AND OUTLOOK

In 2023 the OTML Board approved in principle an updated Strategic Business Plan that included viable options to extend mine life to 2050.

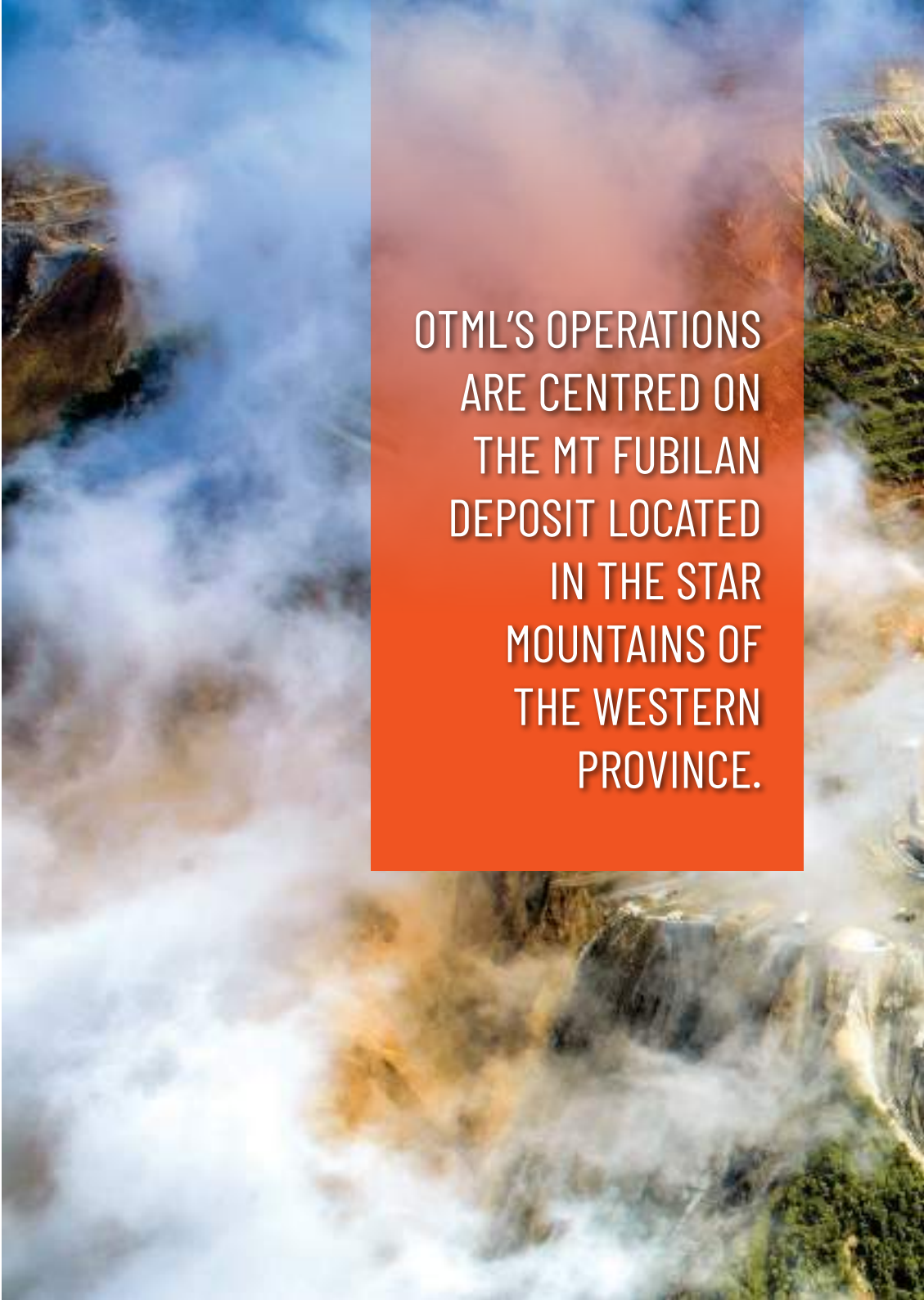
BACKGROUND

OTML operates the longest running open-pit copper, gold and silver mine in PNG and has produced more than 5.2 Mt of copper, 16 Moz of gold and 37 Moz of silver since the start of operations in 1984.

The Company is 100% PNG owned, with Kumul Minerals Holdings Limited holding 67% of OTML's shares and three entities – representing the people of the Western Province – collectively holding the remaining 33%.

The deposit is mined as a large open pit with ore processed in a flotation processing plant using conventional technology to cover copper and gold into a saleable concentrate. Copper concentrate is piped 156 kilometres (km) south to port facilities at Kiunga, dried in a filter plant, shipped down the Fly River using purpose-built vessels to a silo and storage vessel in Port Moresby, before being exported to overseas customers using commercial shipping services. Export sales are denominated in US Dollars making Ok Tedi an important source of foreign currency for the PNG economy.

The mine is serviced by the township of Tabubil, located 20 km to the southeast of the mine and it is here that the Company maintains its registered office.



OTML'S OPERATIONS
ARE CENTRED ON
THE MT FUBILAN
DEPOSIT LOCATED
IN THE STAR
MOUNTAINS OF
THE WESTERN
PROVINCE.



BUSINESS REVIEW AND OUTLOOK (CONTINUED)

PRODUCTION

Copper production was 18 % higher than the previous year primarily due to a 20% higher head grade compared to previous year and increased recovery (2%), notwithstanding lower throughput.

Gold production was 3% higher than the previous year attributed to higher head grade offset in part by a lower recovery and mill throughput tonnes.

Mine production (total material movement) decreased by 6% to 98.7 Mt in 2023 with challenges related to dry weather in the last quarter of the year restricting fuel transport up the Fly River. Production levels are expected to improve in 2024.

FINANCIAL

OTML generated PGK 4.1 billion in gross revenue in 2023. This was 13% higher than the previous year with 14% higher concentrate sales partially offset by a fall in copper price which fell by 3% (from USD 3.94/lb to USD 3.82/lb).

Total operating costs in 2023 were PGK 2.9 billion, which was 1% lower (reduction of PGK 38 M) than the previous year. The main driver of lower costs was the implementation of cost reduction measures in line with management's strategy to reset, restore and reinvigorate the business. As a result, the 2023 profit after tax was PGK 682 M, which was PGK 381 M higher than the previous year.

The Company generated PGK 965 M of cash from operating activities, applied PGK 149 M to leases used in operations, generating a net of PGK 816 M from operations and distributing PGK 275 M (partial payment of the declared PGK 450 M dividend in 2023) to shareholders as a dividend.

The Company invested PGK 588 M in waste stripping for accessing future ore sources, and capital projects. Investment was partially funded by an increase in borrowings of PGK 96 M. Net cash held increased by PGK 48 M.

PRODUCTION & COMMERCIAL OUTLOOK

The three-year period between 2024 to 2026 will see the transition to higher grade ore sources from the East Wall of the Fubilan pit.

The transition will benefit from an increase in mine production to an annual average approximating 104 Mt per annum.

Copper grade will progressively improve from recent years (0.45% in 2022 and 0.54% in 2023) to approximately 0.56% in 2024, 0.61% in 2025 and 0.66% in 2026 which will result in improved production and commercial outcomes.

Copper production is expected to increase by 10% (compared to 2023) in 2024, a 14% increase in 2025 compared to 2024 and marginal improvement for 2026 compared to 2025.

This will generate cash before dividend and loans of about PGK 575 M, PGK 890 M, and PGK 950 M in the 2024, 2025, and 2026 respectively (subject to fluctuation in metal prices).





OPERATIONS PARAMETER 2022 /2023

TOTAL MATERIAL MOVED (Mt)	104.7	98.7	(6) % (YOY)
ORE MILLED (Mt)	18.7	18.2	(3) % (YOY)
COPPER GRADE (%)	0.45	0.54	20 % (YOY)
COPPER RECOVERY (%)	86.9	88.7	2 % (YOY)
GOLD GRADE (g/t)	0.62	0.66	6 % (YOY)
GOLD RECOVERY (%)	66.7	65.8	(1) % (YOY)
COPPER CONCENTRATE PRODUCED (Kt)	295	357	21 % (YOY)
COPPER PRODUCED (Kt)	73	87	18 % (YOY)
GOLD PRODUCED (Koz)	248	256	3 % (YOY)

GEOLOGY

In 2023, OTML conducted exploration activities within SML1 with a focus on drilling Wellington skarn to identify future mineral resources. Exploration efforts extended from the Wellington skarn to the Komguibip area, involving comprehensive mapping and surface sampling. These activities were carried out to identify mineralisation anomalies that could become potential drilling targets. Regional exploration primarily targeted EL2156 and was centred on identified skarn outcrops with high prospectivity.

OTML has also continued its resource definition drilling in the Fubilan mine area to improve resource confidence and progressed with SML1 (focussing on Wellington) an advanced project with the ultimate aim of increasing resource confidence and tonnage that is economically viable which can replenish mined reserves.

MINERAL RESOURCE AND ORE RESERVE

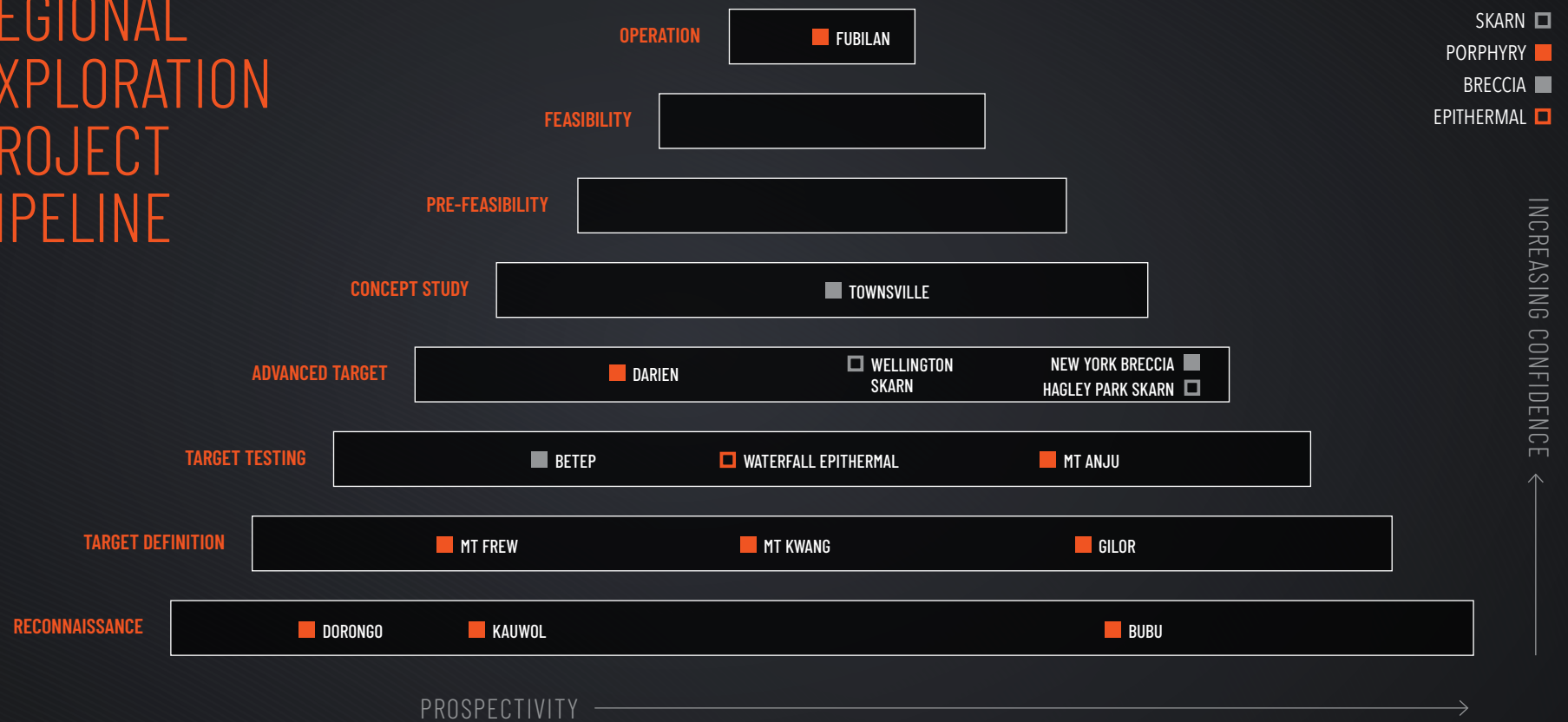
In March 2022, a revised Mt Fubilan Mineral Resource and Ore Reserve as of 31 December 2022 was presented to the OTML Board. Comparing the 2022 estimate with the previous estimate, the changes report a 17% decrease in

the total Mineral Resource tonnes from 489 Mt to 419 Mt, an increase in the copper grade by 0.07% and an increase in the gold grade by 0.09 grams per tonne (g/t). The total Proven and Probable Ore Reserves over the same period decreased by 11% from 262 Mt to 236 Mt, with a 0.05% increase in the copper grade and 0.07 g/t decrease in the gold grade.

The Mineral Resource and Ore Reserve reflects the outcome of strategic planning work completed in 2022. The 2023 update to these resource and reserve numbers will be available later in 2024 and so have not been included in this report.



REGIONAL EXPLORATION PROJECT PIPELINE



GEOLOGY (CONTINUED)

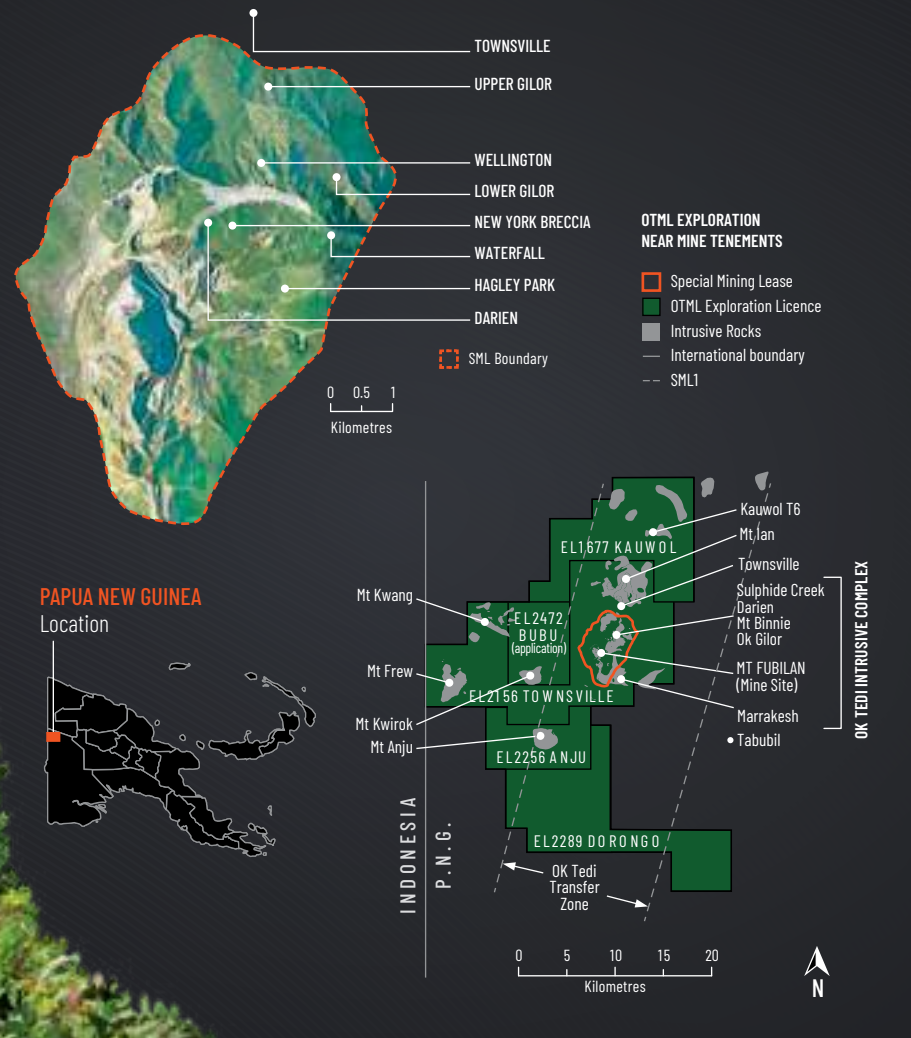
MT FUBILAN MINERAL RESOURCE AND ORE RESERVE AS AT 31ST DECEMBER 2022

MINERAL RESOURCE				ORE RESERVE				CONVERSION
CATEGORY	TONNAGE (Mt)	Cu (%)	AU (g/t)	CATEGORY	TONNAGE (Mt)	Cu (%)	AU (g/t)	RESERVE / RESOURCE RATIO
Measured	105	0.70	0.82	Proven	68	0.87	1.01	65%
Indicated	301	0.54	0.66	Probable	168	0.66	0.79	56%
Inferred	13	0.52	0.68		—	—		
TOTAL	419	0.58	0.70	TOTAL	236	0.72	0.85	56%

TOWNSVILLE MINERAL RESOURCE AS AT 31ST DECEMBER 2022

MINERAL RESOURCE			
CATEGORY	TONNAGE (Mt)	AU (g/t)	AU (Moz)
Measured			
Indicated	2.4	4.1	0.3
Inferred	17.0	4.3	2.3
TOTAL	19.0	4.3	2.6





NEAR-MINE EXPLORATION TARGETS

Exploration continued within SML1 focused mainly on extensional drilling of Wellington skarn, analysis of Wellington deeps that has a spatial correlation with New York breccia at depth and undertaking of mapping and sampling programs at Komguibip and Wellington West areas. A total of 15 holes were completed for an aggregate of 5,815 meters (m).

WELLINGTON

The drilling activities at the Wellington skarn deposit and its surrounding areas have been successful in expanding the resource growth potential. This was achieved through the discovery of intercepts that have increased the skarn's extent to the north and northwest directions, beyond the main Wellington skarn body. The majority of the holes drilled in 2023 intersected skarn and spatially associated copper and gold mineralisation. The most significant drilling result for 2023 was DDHSC140 which intersected 123m at 2.46 g/t gold and 2.02% copper from 243m including 35m at 3.20 g/t gold and 2.71% copper. Drilling is currently on-going and is targeting the mineralisation halo around this significant intercept. Recent drilling intercepts have been instrumental in demonstrating the continuity of mineralisation outside the current resource. A total of 13 diamond drill holes were completed on SML1 for an aggregate of 5,666m.

GEOLOGY (CONTINUED)

WELLINGTON WEST

Surface mapping and sampling was conducted over an area of 200 square meters (m²) to the west of the Wellington skarn body. This mapping exercise resulted in the identification of skarn breccia in contact with grey-white marble limestone, with some parts showing signs of brecciation.

Additionally, the team collected 19 samples for analysis comprising one float chip from massive magnetite skarn and 18 channel chips from skarn breccia. Channels samples over a continuous 24m interval returned anomalous gold of 1.30 g/t and copper at 0.67% over this interval. A second channel sample returned anomalous values of 4.07 g/t gold and 0.72% copper over a 15m interval. Sample GX118375 had the highest gold grade of 10.30 g/t while sample GX118369 had the highest copper grade of 4.7%. Future mapping and sampling is planned for this area.

WELLINGTON DEEPS

The Wellington Deeps breccia is located approximately 600m north of the New York Breccia. Wellington Deeps was identified in 2021 from a review historical DDHCK094 as a gold hosted breccia. Samples from this hole returned anomalous gold results of 12m at 0.3 g/t gold from 477m and 3m at 0.46 g/t gold. Subsequent resource delineation drilling at Wellington has intercepted 8.10m at 1.15 g/t gold, 23m at 2.21 g/t gold from 460m and 1.24 % copper over the same interval in DDHCK144, thus confirmed the existence of the gold hosted breccia system with spatially associated copper mineralisation at depth under the Wellington skarn. A drilling program was planned for and initiated in Q1 2023 to test the link between the Wellington Deeps breccia and New York Breccia however, this was shelved due to country-wide fuel shortage issues.

KOMGUBIP

Extended exploration efforts in the Komgubip area involved comprehensive mapping and surface sampling. These activities were carried out to identify mineralisation anomalies that could be potential targets for further investigation. The surface sampling activities led to the identification of gold mineralisation of up to 2.27 g/t gold (GX116059) and copper anomalies up to 1.47% (GX116043) in the Komgubip area. To further investigate these anomalies, two exploration holes were drilled to target the identified mineralisation anomalies. Significant results from the drilling program were gold intercepts of 8m at 0.36 g/t gold from 212m in DDHCK147 and 7.35m at 4.77 g/t gold from 209.65m in DDHCK148.

Planned work for 2024 on SML1 will focus on drill-testing the Wellington skarn for potential extension of the skarn body, mapping the area west of the Wellington skarn, conducting more field mapping and sampling within the Wellington corridor extending to Komgubip area, including trenching.

REGIONAL EXPLORATION

The Townsville field program encompassed the collection of samples from various locations, including the Magnetite Skarn outcrop channel samples from Townsville North (Wesley Skarn), the upper Amethyst Creek, and Townsville South (Mystery Skarn). The mapping campaigns led to the discovery of skarn and spatially associated Cu-Au mineralisation in both intrusive and brecciated sedimentary units. A total of 214 surface rock samples were collected, including 165 channel samples, covering an area of approximately 500m².

WESVILLE (TOWNSVILLE NORTH)

The field mapping campaign was planned to target areas northwest of Townsville camp towards the Santa Cruz area. The aim of the mapping was to fact-check previously mapped geology, including validating of surface gold and copper geochemical anomaly, and identify potential drill targets. This campaign was conducted with the concept that new discoveries would be made to add value to the existing resource. Based on the field mapping and sampling exercise, two diamond drill holes are planned to drill a total of 600m in 2024.

AMETHYST CREEK

The objective of the mapping and sampling exercise undertaken in the upper Amethyst Creek Skarn area was to verify historically mapped geology and follow up on historical surface Au-Cu anomalies. In the Amethyst area, mineralised and altered breccia, including magnetite skarn, was mapped and sampled. In addition, mineralised intrusive breccia was also mapped and sampled along the headwaters of the Amethyst Creek. Drilling is planned for 2024.

MYSTERY SKARN (TOWNSVILLE SOUTH)

The Mystery Skarn is situated in the headwaters of Ok Kuwong river, approximately 150m southwest of Zone 1 and about 100m northwest of Zone 3. The mapping and sampling campaign conducted at Mystery Skarn led to the discovery of anomalous copper with grades up to 0.72% and gold values up to 21.60 g/t in skarn breccia. A drilling program is planned for 2024 to assess the subsurface extents of the mineralisation.



Image:



PEOPLE

To operate with excellence, our ambition is to deliver superior performance day-in and day-out. This requires an integrated, high performing workforce. People initiatives continue to target developing the necessary skills, the right culture and the diverse and inclusive environment required for high performance.

At year end, OTML directly employed 2,741 people with PNG citizens representing 98.72% of the workforce with 34.62% from the Western Province. The 2023 employee demographics have remained constant, slight increase, compared to 2022, and there have been no seasonal variations in employment numbers.





EMPLOYEES BY CATEGORY 2022 / 2023

NATIONAL EMPLOYEES GRADES 1 TO 4

1,886	1,714
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NATIONAL EMPLOYEES GRADES 5 AND ABOVE

803	828
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EXPATRIATES

33	22
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AUSTRALIAN BASED

11	13
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TRAINEES

95	164
----	-----

EMPLOYEES BY GENDER 2022 / 2023

MALE

2,466	2,334
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FEMALE

362	407
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EMPLOYEES BY ORIGIN 2022 / 2023

EXPATRIATES

33	22
----	----

WESTERN PROVINCE/PREFERRED AREA

820	949
-----	-----

NON-WESTERN PROVINCE

1,844	1,757
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AUSTRALIAN BASED

11	13
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EMPLOYEES BY AGE 2022 / 2023

UNDER 30

272	348
-----	-----

30-50

2,052	1,874
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OVER 50

504	519
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TOTAL EMPLOYEES

2,828

2,741

PEOPLE (CONTINUED)

PEOPLE STRATEGY

Our People strategy aims to create a high-performance culture, further promote Papua New Guineans into senior roles, increase female participation in the workforce and leadership, all supported by consistent and sustainable systems for our people performance. The strategy has four key pillars. As part of the reset, restore and reinvigorate focus for 2023 and beyond, the Company is in the process of revisiting these four pillars and its targets.

KEY PILLARS	SYSTEMS AND TARGETS	PROGRESS
Creating the culture for high performance	<ul style="list-style-type: none"> OTML Values One Team – Wan Pasin 	A further culture survey was completed at the end of 2022.
Maximising the opportunities for PNG National leaders	<ul style="list-style-type: none"> All Manager positions filled by PNG Nationals by end of 2023 All executive leadership team positions filled by PNG Nationals by end 2025 	<ul style="list-style-type: none"> 78.80% of PNG based Manager positions were filled by PNG Nationals, and 57.14% of the Executive Leadership Team were PNG Nationals, with 16.67% of positions vacant as at year end.
Increasing Gender Diversity	<ul style="list-style-type: none"> 20% female employees by end of 2025 25% of leadership positions occupied by females 	<ul style="list-style-type: none"> 14.85% of the workforce were females, and 9.36% of leadership roles were filled by females as at year end.
Supporting high performance through effective systems	<ul style="list-style-type: none"> Integrated, accessible, embedded and sustainable systems Policies to support strategic objectives 	<ul style="list-style-type: none"> The on-line facilitated Performance Management System went live in 2022. Greater access was provided to people data for all leaders through the live HR scorecard available on MS Teams



HIGH PERFORMANCE CULTURE

In 2023, a further survey showed that OTML remains an employer of choice with good engagement and values, however, there are opportunities for improvement.

With the support of the Pasin Ok Tedi Team, a group of opinion leaders and influencers from across the business, we began the implementation of our Values in Action workshops engaging OTML manager and superintendents to develop the necessary skills to identify and respond to challenging workplace behaviours through the demonstration of strong leadership, communication and values-based decision-making.

LEADERSHIP DEVELOPMENT

With our continued focus on developing our national leaders, 2023 saw a further cohort enrolled in the Leadership Development Program 2 (LDP2) targeted at senior superintendent and managers.

Twenty-four employees completed this program in 2023 that is aimed at developing leadership and management skills for current roles and in preparation to take on more senior roles.

WORKFORCE CAPABILITY

Through the Dr. Jacob Weiss CMG Training Centre, OTML embarked on facilitating on-site Apprenticeship Level 1, 2 and 3 Block Extension Course Training that is normally facilitated externally in PNG.

A total of 43 trainees entered the 2023 OTML Apprenticeship Program and the OTML Preferred Area Development (PAD) Training Program. Of the 43 trainees, 22 were recruited under the OTML Apprenticeship Training Program and 21 local trainees were recruited under the PAD Training Program.

The apprentices will undergo a four-year training program while the PAD trainees will go through a 2-3 year training program depending on their fields of training.

The apprentice trainees' trade disciplines include electrical, metal fabrication & welding, mechanical fitting & maintenance, carpentry, plumbing, instrumentation, heavy equipment fitting, auto electrical and the refrigeration & air-conditioning. The PAD trainee's disciplines are plant process operations, competency-based training, power operations, business studies, fire rescue and load management.

UNDERGRADUATE SCHOLARSHIP AWARD SCHEME

In 2023, ten students attending the University of PNG and the PNG University of Technology were awarded scholarships under the OTML 2023 Undergraduate Scholarship Award Scheme. The program aims to assist third-year university undergraduate students with school fees and other associated costs while ensuring OTML maintains an industry-institution relationship with respective universities that provide graduates into its training programs and workforce.

Of the ten students three are studying Environmental Science, and Geology at UPNG while seven students are studying Applied Physics/Instrumentation, Chemistry, Civil Engineering, Electrical and Communication Engineering, Mechanical Engineering, Mineral Processing and Mining Engineering at Unitech.

DIVERSITY AND INCLUSION

OTML remained committed to increasing gender diversity through our RISE program in 2023. It is committed to delivering programs aimed at developing our females to ensure a continuing talent pipeline of women. Feedback from past graduates and beneficiaries is being utilised to ensure the ongoing programs are enhanced and kept current. The program aims to empower and develop female employees in their current roles and to be best placed for future promotional opportunities. Thirty-three participants graduated from the program in 2023.

As part of the International Day for Women and Girls in Science, the Ok Tedi Women's Network (OWN) and OTML Training and Development Department hosted students at the Dr. Jacob Weiss Training Centre. The students, grades 8 to 12, were informed on the type of trade training available, what is involved in each trade as well as the academic requirements required to apply for the OTML apprenticeship training program. OWN also raises awareness annually during Pinktober and Movember on cancers affecting men and women in PNG and also raises funds to address women's health concerns. In 2023 OWN raised K168,000 towards the purchase of cervical cancer screening and treatment equipment for the Tabubil hospital.

The OWN continues to be a driving force to provide awareness and advocacy for women's issues as well as providing a support network for the success of female employees.

PEOPLE SYSTEMS

In its full operational use in 2023 the Performance Management module of SAP Success Factors has enabled clarity of role accountability through the identification of annual goals and improvements in operational performance through systematic progress tracking.

ENVIRONMENT

OTML monitors the downstream environment and provides quarterly performance reports to government and stakeholders.

OTML continues to undertake a comprehensive environmental monitoring program governed by the Ok Tedi Agreement and is also undertaking quarterly reporting against the Ok Tedi Environmental Management Act (OTEMA) 102 license conditions. This program is designed to monitor potential changes to the environmental receiving environment, that Ok Tedi operations could cause impacts.

Ok Tedi spent PGK 225.14 M on environmental mitigation programs. These programs have reduced the impact of sedimentation in upper Fly River and stabilised downstream water quality.

COMPLIANCE MONITORING

OTML measures the effectiveness of its environmental controls by monitoring for compliance against six key environmental values.

- downstream drinking water quality.
- availability of aquatic resources such as fish and edible aquatic flora to meet community requirements.
- safe edibility of these aquatic resources.
- availability of terrestrial resources such as dry land on which to establish gardens, hunt and gather firewood and meet community requirements.

- safe use of these terrestrial resources such as for crops and natural forest resources included in the normal dietary intake of the local community.
- navigability of the main Ok Tedi and Fly River channels by commercial and village craft.

These values are measured as part of compliance monitoring of the Environmental Regime as part of the Ninth Supplemental Agreement of the Ok Tedi Mining Act. They are monitored along the 1,000km riverine system that stretches from the mine to the Fly River delta. Compliance monitoring was completed in 2023 for the key environmental values, despite minor disruptions with helicopter fuel unavailability which supports the quarterly catchment water quality monitoring program and delay in field benthic sediment sampling in Port Moresby and Umuda to monitor effect of transshipping activities on seabed which has been scheduled for April 2024 due to unavailability of the support survey vessel (MV Collins) in November/December 2023.

For all of 2023, OTML recorded permit partial non-compliances relating to flow data and sludge discharge from Wangbin sewage treatment plant (STP) and biannual fish sampling at Oxbow 6. Furthermore, a permit non-compliance was noted relating to dieback ground truthing field work, which was not undertaken during 2023 due to delays with contractor engagement/dry weather.

The STP upgrade was completed in 2023 and the facility was commissioned in mid-March 2024. Wangbin STP is one of the two STPs that is currently regulated under the permit.

OK TEDI ENVIRONMENTAL MANAGEMENT ACT

The Ok Tedi Environmental Management Act (OTEMA) was passed by the PNG Parliament in February 2019, and certified. Section 13 of the Act was updated to certify the Ok Tedi permit on 13 February 2020. In 2023, OTML prepared the four quarterly reports against the conditions and submitted to CEPA. The Annual Environment Report for 2022 was submitted to CEPA in June 2023.

With the approval of Mine Life Extension to 2050 in principle, there is an urgent need for gazettal of the Act (OTEMA) which would enable application for Major Permit Amendment to CEPA for the second EWRD and possible Tailings Storage Facilities (TSF). OTML Corporate Affairs team is leading this dialogue with CEPA to ensure the Act is gazetted in 2024 for the Act provisions to come into force. Environment Department is conducting awareness on the new Act to prepare the business for the OTEMA gazettal.



WITH THE APPROVAL OF MINE LIFE EXTENSION TO 2050 IN PRINCIPLE, THERE IS AN URGENT NEED FOR GAZETAL OF THE ACT (OTEMA) WHICH WOULD ENABLE APPLICATION FOR MAJOR PERMIT AMENDMENT TO CEPA FOR THE SECOND ENGINEERED WASTE ROCK DUMP (EWRD) AND POSSIBLE TAILINGS STORAGE FACILITIES (TSF).



ENVIRONMENT (CONTINUED)

TAILINGS AND WASTE ROCK MANAGEMENT

Due to steep terrain and high rainfall the region is geologically unstable, resulting in the mine permit allowing placement of treated tailings and waste rock into the upper river valleys. The riverine discharge of tailings and waste rock management continues to be the most significant long-term environmental risk for OTML. In 2023, 16.5 Mt of treated tailings was discharged into the upper reaches of the Ok Tedi River, and 65.5 Mt of waste rock was discharged to dumps to the north and south of the mine.

Towards the end of 2021, the design phase of the EWRD was completed, with implementation of early pioneering and drainage works commencing in 2022. An Environment Management Plan (EMP) was developed for the EWRD project to provide guidance on additional environmental controls over and above those included in the site EMP (OTML_ISM_PLAN 3.01) and waste rock management practices for failing dumps described in the waste rock management plan (OTML-IMS-PLAN – 3.03). The EWRD will reduce the sediment loadings to the riverine system from future mine developments. The dump is currently in construction stage 11 which commenced in August 2022 and involves dumping of limestone only. The progress in 2023 has been lower than plan due to unavailability of run of mine limestone in the pit, the El Niño dry event with interruption of mining operations and workers stood down. Work commenced again in 2024. To reduce the impacts of tailings on the environment, OTML separates sulphides (pyrite) from the tailings before being discharged. The pyrite concentrate produced is piped 125 km to storage pits on the West Bank at Bige, where it is permanently stored underwater and then covered with non-acid forming sands dredged from the river.

BIODIVERSITY IMPACTS

The long-term discharge of mine waste to the upstream river system has resulted in sediment deposition along the river. During high or long rainfall events in the upper catchment an increase in the duration and frequency of overbank floodplain inundation is observed in the lower Ok Tedi and middle Fly Rivers. Satellite imagery and physical observations have recently shown that the flood pulsing from the floodplain has now been reduced due to riverbed aggradation, consistently raised water levels, and since the 1997/98 El Niño event, an elevated river levee bank acting as a hydraulic dam retaining water on the floodplain. This can have impacts on vegetation and also fish biodiversity. Further investigations are planned to follow the 2023/24 El Niño event to monitor river changes.

SAGO PALM MAPPING

In 2021, OTML documented changes to sago palm (*Metroxylon sagu*), within the Lower Ok Tedi, Upper Fly and Middle Fly catchments and associated floodplain and the extent of those changes. Ground truthing work and additional monitoring was planned in 2023, however, due to research vessel unavailability and El Niño impacts the program has been rescheduled for 2024.

FISH MONITORING

OTML long-term fish catch data show declines in riverine fish catch over time at the three riverine compliance sampling sites (i.e. Kuambit/Erekta, Bosset and Ogwa), with minimal declines at adjacent floodplain sites. Declines at riverine sites have been attributed to mine impacts, either due to habitat loss from elevated suspended sediment and bed aggradation or chronic toxicity from metals (note: the dissolved copper concentrations have been declining in the river system due to lower ore grades, improved metal recovery at the processing plant, and the PCon separating plant).



The key fish community parameters monitored are abundance, biomass and species diversity with no clear trend in biomass or species diversity, however, abundance had increased at all monitoring sites from 2021-2022. Barramundi, a major driver of biomass, has severely declined due factors including:

- Asian demand for air bladder, hence increased local fishing pressure.
- Reduced floodplain drying, due to bed aggradation in the river.

Fish diversity surveys conducted every five years throughout the freshwater reaches of the Fly River system since 2005 has identified a total of 140 species comprising of 132 native and 8 exotic species. The 2018 survey confirmed the importance of several refuge areas that continue to support populations of a range of species in decline or with reduced sightings in the middle Fly area in the main Fly River channel and off river water bodies. Further monitoring is required to understand the changes in Barramundi population in riverine catch in the Fly River.

ENVIRONMENTAL PERFORMANCE

OTML is committed to improving environmental performance across all aspects of the Company's operations and has prepared the 2023 data tables and previous year data for comparison. The annual average %sulphur in final tailings discharge was 0.74% which was 0.1% increase compared to 2022. The average annual acid neutralising capacity (ANC)/maximum potential acidity (MPA) ratio in dredged sediments at Bige was 3.6, 80% higher than the compliance minimum of 2.0, indicating sufficient alkalinity.

In 2023 there was a 12.66% increase in PCon slurry piped to Bige from the processing plant compared to 2022. The increase is due to higher tonnes processed and improved sulphur recovery in the plant. The riverine disposal intensity index decreased by 17.53% in 2023 compared to 2022. The decrease is due to higher annual copper production (15.28%) in 2023. The average annual % sulphur in tailings increased from 0.64% in 2022 to 0.74% in 2023, due to mining in areas with high grade sulphur ore.

The total riverine disposal includes waste rock and tailings. The total volume (81,955 kt) increased by 0.42% compared to 2022. This increase was attributed to a 4.22% decrease in tailings volume (16,466 kt) and 1.58% increase in waste rock (65,489 kt).

The dredge at Bige removed 16.7 Mt of fine sediment in 2022 compared to 17.3 Mt in 2023. The average dissolved copper ($\mu\text{g/L}$) in river waters at Nukumba monitoring location was 5.7 $\mu\text{g/L}$, 7.02% lower than the 2022 average concentration of 6.1 $\mu\text{g/L}$. The lower copper was due to improved recovery at the processing plant.

WATER USAGE

The mine used 77% of recycled water (40 mm³), in the processing plant with 23% fresh water. This percentage of recycled water was slightly lower than in 2022.

ENERGY CONSUMPTION

Open cut mining and the processing of copper ores is energy intensive. OTML's energy intensity index (MWh/t contained copper) decreased from 6.27 in 2022 to 5.54 in 2023.

Fuel contributes significantly to the Company's greenhouse gas (GHG) emissions. Total GHG emissions in 2023 were 335,360 Kt carbon dioxide equivalents (CO₂-e), representing a 7.37% increase from 2022 emissions.

The total amount of electricity used during 2023 was 479.76 Gigawatt hours (GWh) compared to 460 GWh in 2022, with 335.30 MWh being produced from hydroelectric generation. Hydroelectric power is used in preference over higher cost thermal power. The hydroelectric power provided 69.89% of OTML's requirement through the Ok Menga and Yuk Creek hydroelectric generation stations.

LAND DISTURBANCE AND REHABILITATION

In 2023, 1.7 ha of new land was disturbed as part of geological exploration activities. The total cumulative disturbance at all operational areas is 2,786.66 ha.

During 2023, 40 ha of Bige stockpiles were rehabilitated using a mixture of tree and grass species. Rehabilitation methodology involves auguring oversize holes into the substrate, filling with woodchip and soil and planting native seedlings.

EFA MONITORING

In 2023, OTML completed its seventh year of implementing Ecosystem Function Analysis (EFA) long-term monitoring program designed to evaluate success of rehabilitating sand-tailing stockpiles along the Ok Tedi River in Bige, Western Province, Papua New Guinea. OTML rehabilitation crews collected data along 58 transects located on the east-bank and west-bank sand-tailing stockpiles at Bige including 12 new transects established. The 2023 monitoring data is being analysed and a report will be made available at the end of 2024.

MINE CLOSURE PLANNING

OTML is required to prepare an updated Mine Closure Plan, Mine Area Rehabilitation Plan and Social Economic Review every three years and lodge with the PNG Government. The Plans were lodged with PNG government in 2022 and will be updated in 2025.

ENVIRONMENTAL INCIDENTS AND COMPENSATION

Annual compensation payments were made to the nine CMCA regions, as direct reparation for use of riverine tailings discharge. In 2023, compensation payments totalled PGK 70.0 M. The increase in 2023 payments was in General compensation payment due to inclusion of a special compo payment to Wangbin and Migalsim villages in recognition for the use of Ok Menga Hydro and Tabubil Township lands. Only 1 non-CMCA related compensation payment of PGK 50,000 was for a fuel release into pristine environment at KM114 near Migalsim Village.

WASTE MANAGEMENT

The Company has developed an integrated waste management program that is actively collecting and sorting materials that can be recycled to reduce landfill.

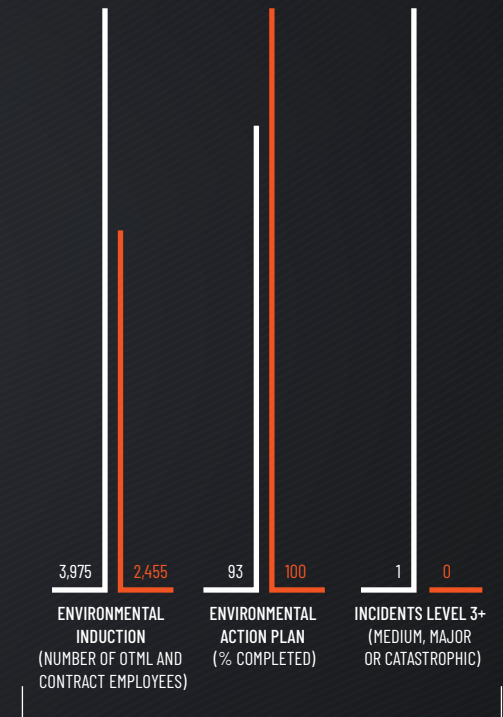
ENVIRONMENT (CONTINUED)

OTML IS COMMITTED TO IMPROVING ENVIRONMENTAL PERFORMANCE ACROSS ALL ASPECTS OF THE COMPANY'S OPERATIONS.

SCRAP METAL SHIPPED FOR RECYCLING 2022 / 2023

Category	2022 (t)	2023 (t)
FERROUS (t)	765	1306
NON-FERROUS (t)	1,848	209
LINER PLATES (t)	1,848	632
BATTERIES (t)	0	28

2022 TOTAL(t) **2,803** 2023 TOTAL (t) **2,175**



ENVIRONMENTAL MANAGEMENT PERFORMANCE 2022 / 2023

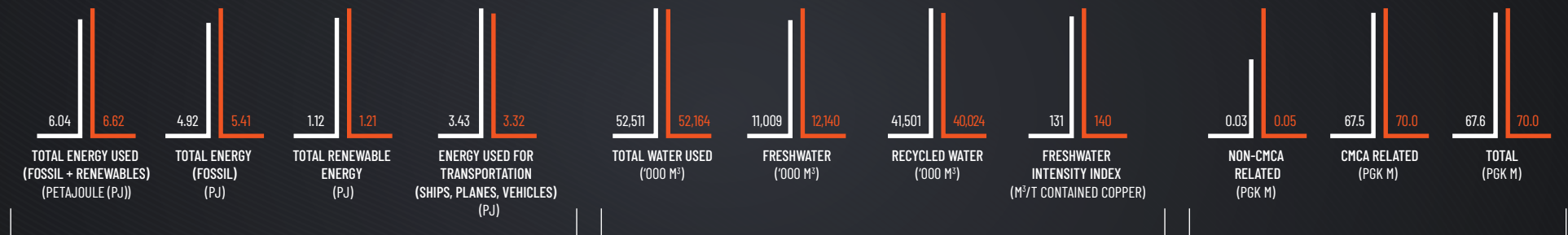
ENERGY AND GREENHOUSE GAS PRODUCTION 2022 / 2023

TOTAL DIESEL CONSUMPTION (ML)	124	117
DIESEL CONSUMPTION FOR POWER GENERATION (ML)	38.5	33.5
DIESEL USED FOR MACHINERY / OTHER (ML)	85.9	83.5

ELECTRICITY USE (GWh)	460	479.76
DIESEL GENERATED ELECTRICITY (GWh)	149.1	144.46
HYDROELECTRICITY (GWh)	311.1	335.30

POWER SOLD (MWh)	432	451.9
ENERGY INTENSITY INDEX (MWh/t CONTAINED COPPER)	6.27	5.54
GHG EMISSIONS ('000 t CO ₂ e)	335.53	359.68

GHG EMISSIONS INDEX (t CO ₂ -e/t CONTAINED COPPER)	10.5	4.16
NEW LAND DISTURBED THIS YEAR (ha)	2.26	1.7
TOTAL LAND DISTURBED TO DATE (ha)	2,783	2,786.66
LAND REHABILITATED THIS YEAR (ha)	55	40



ENERGY TYPE (CONSUMPTION) 2022 / 2023

WATER MANAGEMENT 2022 / 2023

ENVIRONMENTAL COMPENSATION 2022 / 2023

WASTE MANAGEMENT 2022 / 2023

TOTAL RIVERINE DISPOSAL ('000 t)	81,613	81,955
WASTE ROCK ('000 t)	64,453	65,489
TAILINGS ('000 t)	17,161	16,466

PCON SLURRY PIPED TO BIGE ('000 t)	1,214	1,390
RIVERINE DISPOSAL INTENSITY INDEX (total waste (t)/copper in concentrate (t))	1,113	947
ANNUAL DREDGE SLOT PRODUCTION RATES (Mt)	17.3	16.7

AVERAGE ANNUAL SULPHUR IN WASTE ROCK (%)	0.94	1.00
AVERAGE ANNUAL SULPHUR IN TAILINGS (%)	0.64	0.74
AVERAGE ANNUAL ANC/MPA IN DREDGED SEDIMENTS	3.7	3.6

AVERAGE DISSOLVED COPPER AT NUKUMBA (µg/L)	6.1	5.7
SCRAP METAL (t shipped for recycling)	2,466	2,175

SOCIAL RESPONSIBILITY

OTML operates in a manner that balances economic and social impacts and respects the rights and culture of impacted communities. OTML paid over PGK 3,213.9 M to local communities and the PNG economy.

The company has a number of government and community agreements including the CMCA which is underpinned by transparent dialogue with communities through regular consultation and trust meetings and meets the intent of Free and Prior Informed Consent.

OTML provides significant direct and indirect economic benefits for PNG and Western Province through taxes, dividends, royalties and compensation. The company is the largest operating business in the Western Province providing employment and training, national and local business opportunities and economic programs.

The delivery and management of social responsibility programs is achieved through the OTDF, a separate not-for-profit entity, funded directly by OTML. OTDF prioritises building capacity and developing self-sufficiency through enhancing economic livelihood programs.

COMMUNITY MINE CONTINUATION AGREEMENT

OTML facilitates a formal CMCA with communities across nine CMCA regions and six mine villages representing the 158 communities. The agreement outlines the annual compensation, investment and development payments for affected communities, and is reviewed and updated regularly. Each of the nine CMCA regions has an established trust, trustees and elected representatives from both genders. The six mine villages have development committees comprising representation from men, women, youth, and church groups.

Payments to CMCA beneficiaries are calculated according to the population of the respective regions and are paid directly into family accounts. In 2023 the total payment was PGK 49.77 M. The OTML CR Department conducts population updates every two years for the nine CMCA regions and an annual update for the mine villages.





CMCA REVIEW

OTML's current Social License was signed in 2012/2013 granting the CMCA longevity up to 2025. The extension bid is for the LOM to be extended to 2033, an additional eight years from 2026. In October, OTML conducted a 2-day meeting with its stakeholders to commence awareness as a lead up to the upcoming CMCA review planned to commence in early 2024. The meeting was attended by more than 100 leaders and representatives from the Mine Villages, CMCA Communities, Fly River Provincial Government, State Agencies, Mineral Resources CMCA, Mineral Resources Star Mountain (MRSM), Mineral Resources Development Corporation (MRDC), Kumul Mineral Holdings Limited (KMHL) and the PNG Sustainable Development Program (PNGSDP).

The CMCA Review process is expected to be carried out in three phases. Phase 1 involves village meetings creates initial awareness, appointment of village leaders and communication of the information needed by the 158 mine impacted communities to make FPIC decision. Phase 2 involves meetings by community and CMCA leaders to draft position paper and Regional Strategic Plan that

will be communicated to the villages by the respective community leaders. Phase 3 will see the commencement of the working group meetings that include round table discussions and negotiations, drafting of CMCA compensation and benefits packages as well as the drafting of the CMCA Agreement.

COMMUNITY CONSULTATION

OTML Community Relations (CR) organises regular formal and informal community engagement events and meetings. The CR team completes a series of annual formal community communication and consultation meetings in each of the 158 villages in the nine CMCA regions, spanning an area of over 98,000 km². Meetings are held with men, women and children. These meetings are conducted annually to share information on OTML's operations, answer questions from community members and hear their views, issues and complaints, helping OTML management to address any emerging community issues.

In 2023, only 85 villages out of the 152 villages in five CMCA regions (Dudi, Kiwaba, Manawete, Suki Fly Gogo and Middle Fly) were visited between April and June 2023 due to a mid-year restructuring of the CR Department. Those present at the meetings included representatives from OTML Community Relations Department, OTDF, MRDC and MRCMCA.

OTML uses the meetings to provide feedback on issues previously raised and provide information updates on mining operations, environmental impacts, agreed compensation, statutory compliance understanding and awareness of applicable laws relating to lease management and social responsibility programs managed through OTDF.

Each year, some villages can unfortunately not be visited, due to logistical challenges and out of respect to villages' cultural obligations.

COMPLAINTS AND GRIEVANCES MANAGEMENT SYSTEM

OTML has a comprehensive on-line Complaints and Grievance Management System (CGMS) which meets the grievance mechanism tool guidelines of the United Nations and International Finance Corporation for Resource Sector development.

A total of 487 complaints were registered in the system however, there were many more complaints and issues that officers dealt with at the counter and resolved and were not registered. Of the system registered complaints, 410 complaints were closed and 77 remained opened pending resolution.

The highest number of registered complaints (378) was under the "Compensation & Payments" category.

SIGNIFICANT DISPUTES RELATING TO LAND USE OR CUSTOMARY RIGHTS

No new land disputes were registered in 2023, with the following six remaining dormant:

- Three relating to land ownership.
- Two which are dormant/closed but could be pursued by clans.
- One where OTML is not a party in the proceedings but is monitoring the outcome.

Two earlier cases relating to tribe compensation for water usage and damages for the clearing of vegetation were closed in 2021 and in early 2022, respectively.

SOCIAL RESPONSIBILITY (CONTINUED)

OK TEDI DEVELOPMENT FOUNDATION

OTDF was established in 2001 under the Ok Tedi Mine Continuation (Ninth Supplemental) Agreement Act as a tax-free entity. OTDF's vision is to improve self-sustainability and improve the quality of life of all Western Province communities. The focus of the OTDF is to deliver programs in five key sectors including Local and Regional Development, Education, Health, Infrastructure and Community and Social Development. Project and program funding for the OTDF is primarily provided by OTML, the CMCA Trusts, Mine Village Development Funds, the Alice River Trust, the OTML Tax Credit Scheme (TCS) and the Western Province Peoples Dividend Trust Fund (WPPDTF).

Detailed information on community program delivery for 2023 can be found in the OTDF Annual Report and on the OTDF website: www.otdfpng.org.

ECONOMIC CONTRIBUTION

OTML provides significant funds towards socio-economic development, both directly through services provided and infrastructure, and indirectly through the facilitation of community access to services and infrastructure. OTML's economic contribution to PNG and the Western Province is through the following payments:

- Royalties from metal sales.
- Employee salaries.
- Capital and operating expenditure to suppliers of goods and services in PNG.
- Payments under the various land and community agreements.
- Various business taxes, including company payroll, goods and services and the TCS.
- Donations and investments in community development programs, and
- Investments in local and regional infrastructure, including roads, bridges, jetties, hospitals and schools.

Payments into the PNG economy in 2023 were approximately PGK 3,217 M, which was a 15.12% increase compared to 2022 (PGK 2,795 M). A dividend payment of PGK 450 M was declared to shareholders.

TCS expenditure was PGK 136.9 M compared to 2022 expenditure of PGK 64.3 M. Goods purchased in PNG decreased to PGK 516.5 M, compared to PGK 540.3 M in 2022. There was an increase in PNG contractor payments to PGK 1,198 M compared to 2022 expenditure of PGK 988 M.

ROYALTY PAYMENTS

In 2023, OTML paid PGK 72.8 M in royalties based on net revenues derived from copper and gold production.

TAX CREDIT SCHEME

The TCS was established by the PNG National Government in 1996 to deliver infrastructure and development projects to the Provinces in which Mineral Resources companies operate. The Company is able to apply through the Department of Finance for up to 2% of Assessable Income for the year to be targeted towards Provincial infrastructure projects.

Since its establishment, the TCS has provided significant project funding (PGK 748.7 M) to the Western and Sandaun Provinces. In 2023 OTML's TCS project commitment was PGK 85.1 M.

In the final quarter of 2023, 16 projects were approved and registered under the TCS. Thirteen projects have been completed and are pending completion certificates and reports to the Department of National Planning and the Internal Revenue Commission.

COMPENSATION PAYMENTS

OTML makes annual lease payments for land associated with the mine and its infrastructure. General compensation payments to CMCA communities include, mine and landowner projects, environmental projects and other compensation.

In 2023, compensation payments totalled PGK 56.4 M, this was PGK 20.5 M lower than 2022.

CMCA PAYMENTS

NO.	DESCRIPTIONS	QUANTITY
1	Projects at implementation/ execution stage	8
2	Completed projects pending completion certificates	5
3	DNPM approved projects but yet to start	3
TOTAL PROJECTS APPROVED & REGISTERED UNDER OTML		16





CONTRIBUTION TO LOCAL COMMUNITIES AND THE PNG ECONOMY

	PGK (M)	
	2022	2023
Taxes and levies paid to PNG Government	254.1	241.0*
Dividend paid	300	450
CMCA	49.31	49.77
Compensation	76.9	56.4*
SUBTOTAL	680.31	797.17
ROYALTY PAYMENT		
Western Provincial Government	33.0	37.3*
Landowners	33.0	37.3*
Less: Royalty tax (IRC)	(1.7)	(1.8)*
SUBTOTAL	64.3	72.8
TAX CREDIT SCHEME		
Education	8.07	3.19
Roads, bridges, airport	57.23	133.74
Utilities	0.29	0
SUBTOTAL	65.58	136.93
LOCAL BUSINESS		
Goods purchased in PNG	540.3	516.5*
PNG contract payments	988	1,197.6
Local training costs	5.6	6.7
Salaries and wages	450.01	486.49
SUBTOTAL	1,983.91	2,207.29
TOTAL	2,794.1	3,213.9

* Data not available to two decimal places

SOCIAL RESPONSIBILITY (CONTINUED)

The CMCA provides annual funding to affected villages in the eight Trust Regions and the six mine villages. The funding includes reparation for the mining induced impacts on the receiving environment. Village Planning Committees (VPC) identify and prioritise sustainable development projects for Trust funding. OTDF provides support in project scoping, design, tenders and project construction supervision.

The CMCA compensation is paid in the third quarter annually by OTML. The CR Department manages more than 20,000 bank accounts for the CMCA beneficiaries. In 2023, PGK 49.77 M was distributed to various groups and trusts.

OK TEDI DEVELOPMENT FOUNDATION PROJECTS

FISHERIES PROGRAM

In 2022, OTDF collaborated with the Australian Commonwealth Scientific Industrial Research Organisation, University of Queensland, and Blue Forests Indonesia to develop a business model for small-scale fisheries in Fly River communities. The initiative, funded by the Australia Centre for International Agriculture Research and aims to empower women economically and promote sustainable fishing practices.

In 2023, the Fisheries Program meeting their 100% target by visiting four fisheries villages. The initiative published a report in December 2022 titled "Developing alternative small-scale fishery models for women in the Fly River, Western Province, PNG" The findings saw a positive result in participating villages and OTDF are seeking external funding to develop fisheries in future.

WESTAGRO FLAGSHIP PROGRAM

In its third year (2023), the WestAgro Flagship Program achieved several milestones. The Agro-Industrial Centre (AIC) and vanilla nucleus estate project completed construction and opened in July 2023. The AIC is primarily powered by a 100kW solar system with E-CUBE technology, the AIC ensures a seamless and cost-efficient power supply. It includes a large greenhouse and 13 grow-out tunnels stocked with over 16,800 Planifolia and Tahetiensis vanilla vine varieties. The AIC management team anticipates first flowering to occur during the 2024 dry season, leading to initial production in 2025.

Fly Vanilla expanded its influence beyond the Samagos operating site and actively engaged smallholder famers through community awareness research and development initiatives. A joint survey team comprising Fly Vanilla, Western Province Administration and OTDF extension officers assessed 92 villages (43 in the North Fly, 15 in the Middle Fly and 34 in the South Fly), discovering 205 farmers growing 27,784 vanilla vines across 10,860 hectares. From these, an initial 10 model farmers were initially identified, and seven demonstration blocks were established. Interest in vanilla farming has since surged across the entire province, including remote areas like Nomad, Strickland, Olsobip, and Telefomin Districts.

WATER, SANITISATION AND HYGIENE (WaSH) PROGRAM

The Water, Sanitation & Hygiene (WaSH) program was initiated in 2022 with the aim of promoting health and hygiene conditions in the region. In 2023, the WaSH program launched an awareness campaign in the CMCA area of South Fly region, on menstrual hygiene management (MHM) concepts to students and communities.

A baseline survey in North Fly revealed 69% of schools lacked essential sanitation facilities, significantly impacting student health. The absence of menstrual hygiene facilities in school adversely affected female students, contributing to missed school days and compromised health. In response, OTDF initiated targeted interventions, such as Community-Led Total Sanitation in Middle Fly, reaching four villages, and collaborated with the Good Samaritan Foundation in South Fly to address menstrual hygiene challenges. These efforts are yielding results, with communities empowered to take ownership of their health.

FOOD SECURITY PROGRAM

This year, the OTDF Food Security Program completed a comprehensive food security baseline survey in North Fly. Findings from the survey provided essential insights into community needs and challenges. In addition, OTDF signed a strategic partnership Memorandum of Understanding (MOU) with the Fresh Produce Development Agency (FPDA) for technical support.

The expansion of rice cultivation across Middle and South Fly regions yielded over 3.5 tons of locally milled rice in South Fly alone, marking a shift from traditional subsistence to sustainable farming. Following this, the OTDF Regional Development team established two Community Seed Bank Centre sites that will serve as pillars for preserving seeds and fostering agricultural resilience.

Lastly, community empowerment remained central, with two farmer training sessions in South Fly focusing on Paddy Rice field establishment, equipping communities with knowledge and skills.

LOCAL BUSINESS SUPPLY CHAIN

OTML has a policy to preferentially source PNG manufactured goods and service providers where they are competitively priced and meet quality standards. The PNG supply chain includes multinational companies that are represented in PNG, and many have offices in the Western Province. Small to medium businesses that have pre-qualified and established management systems are preferred suppliers.

In 2023, the total value of services contracts paid to PNG suppliers was PGK 1,197.6 M, or 67% of all contracts.

The breakdown of goods purchased by source included PGK 1,354.1 M generated from within the Western Province. Total PNG purchases in 2023 decreased due to less local PNG purchases, this is attributed to managements' emphasis on implementing the strategic projects which are mainly sourced overseas whilst also putting in place cost reduction measures.

More project materials were purchased overseas, resulting in an increase in overseas purchases from PGK 794.29 M in 2022 to PGK 837.65 M in 2023.

Tabubil purchases decreased by 43.87% due to an overall reduction in local PNG purchases.



SOCIAL RESPONSIBILITY (CONTINUED)

PAYMENT CATEGORY 2022 / 2023

LAND LEASED TO VILLAGES (PGK M)		
7.8*		5.8
DONATIONS (PGK M)		
0.7*		0.6
8 TH SUPPLEMENTAL AGREEMENT (PGK M)		
19.1*		-
CMCA (PGK M)		
44.0		44.0
MINE VILLAGE BENEFITS (PGK M)		
5.3		5.9
OTHER COMPENSATION (PGK M)		
0.03		0.1
TOTAL (PGK M)		
76.93		56.4

GROUPS AND TRUSTS 2022 / 2023

MINE LANDOWNERS (PGK M)		
5.34		5.91
DEVELOPMENT FUND (PGK M)		
3.07		3.07
WOMEN AND CHILDREN FUND (PGK M)		
5.89		5.90
INVESTMENT FUND (PGK M)		
2.28		2.29
SPECIAL COMPENSATION (PGK M)		
32.73		32.60
TOTAL (PGK M)		
49.31		49.77

* Data not available to two decimal places.

PURCHASES OF GOODS BY LOCATION 2022 / 2023

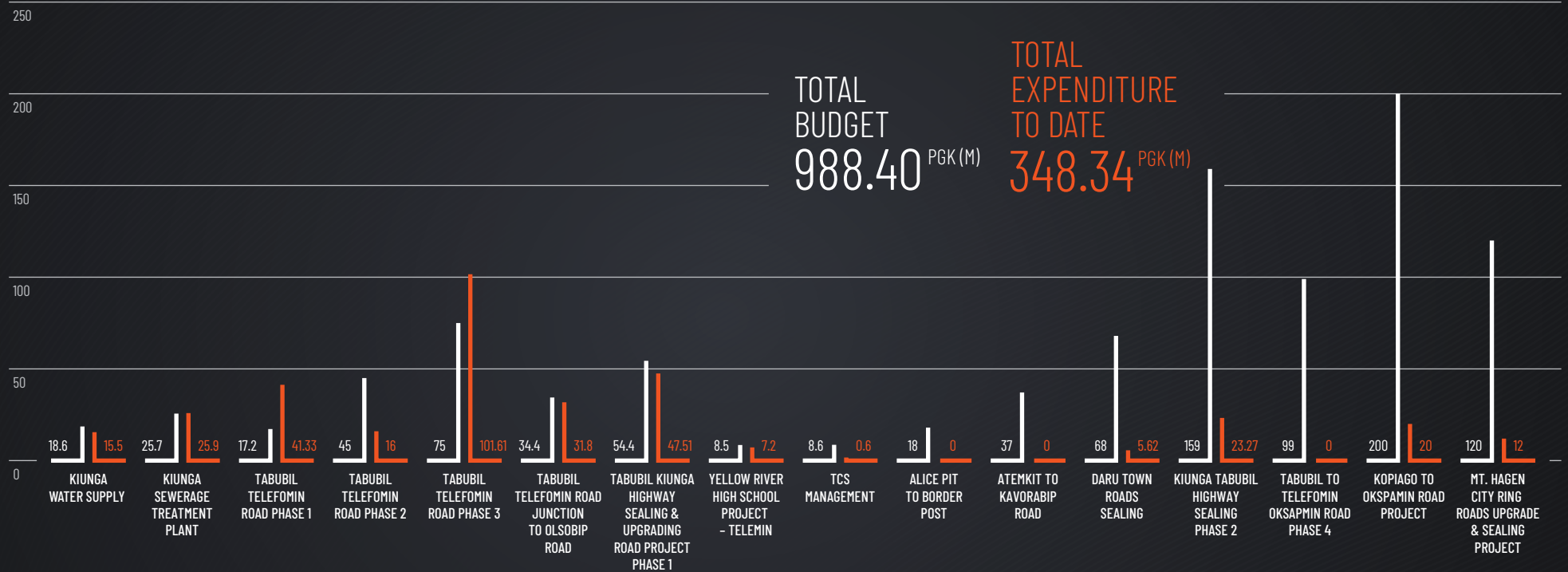
WESTERN PROVINCE (PGK M)		
26.71		17.97
NATIONAL PAPUA NEW GUINEA (PGK M)		
513.60		498.49
JV (PNG & OVERSEAS) (PGK M)		
794.29		837.65
TOTAL (PGK M)		
1,334.60		1,354.11

LOCAL PURCHASES IN WESTERN PROVINCE 2022 / 2023

KIUNGA (PGK M)		
1.95		0.76
TABUBIL (PGK M)		
24.76		17.21
TOTAL (PGK M)		
26.71		17.97

The following major projects are currently approved and/or under construction. The budget and expenditure in 2023 are shown in the TCS project table.

TCS BUDGETS & YTD EXPENDITURE BUDGET PGK (M) / EXPENDITURE TO DATE PGK (M)



FINANCE

In 2023, the Company recorded a consolidated profit (after tax) of PGK 682 M.

ECONOMIC CONTRIBUTION

OTML's financial performance for 2023 included gross revenue of PGK 4,125 M generating a consolidated after-tax profit of PGK 682 M and enabling a dividend distribution of PGK 450 M to shareholders.

OTML is a significant generator of foreign currency. In 2023 the Company sold in excess of USD 674 M into the PNG foreign exchange market.

The financial statements have been externally audited by PwC PNG. During 2023, there was no direct financial assistance in the form of tax subsidies, royalty relief, grants or financial incentives received by the Company from the PNG Government.

SALES AND MARKETING

OTML produces a copper-gold-silver concentrate product which is sold to customers in Japan, Philippines, Germany, South Korea, and India, with these formal offtake agreements representing approximately 80% of expected annual production. The balance of product is sold to the spot market as circumstances dictate.

OTML's commitment to meeting customer requirements occurs across the value chain, with operations and logistics teams working together to reliably deliver a marketable concentrate parcel. Customer concentrate specifications are blended at OTML's Kiunga facility, before being shipped to the silo vessel, the MV Ragianna Arrow, in Port Moresby harbour. Product is then exported to customers by our commercial export shipping partners.

The following table summarises the gross revenue generated from these sales.

	SALES REVENUE BY COMMODITY (M)			
	2023 PGK	2022 PGK	2023 USD	2022 USD
Copper	2,314	2,144	643	609
Gold	1,643	1,505	456	428
Silver	54	37	15	11
Finalisation Gains / (Losses)	111	(47)	30	(13)
TOTAL GROSS REVENUE	4,125	3,638	1,144	1,035

EXPORT SALES	2023	2022
Concentrate (t)	332,946	290,782
Contained copper (t)	79,407	72,090
Contained gold (oz)	246,014	246,278
Contained silver (oz)	741,669	546,948

METAL PRICES

A comparison of the average 2022 to 2023 metal prices realised by OTML is shown below. The 2023 copper price was 3% lower than in 2022 and the gold price was 9% higher.

	2023	2022
Copper (USD/lb)	3.82	3.94
Gold (USD/oz)	1,945	1,789





FINANCE (CONTINUED)

FINANCIAL PERFORMANCE SUMMARY

In 2023, the Company recorded a consolidated profit (after tax) of PGK 682 M.

The Company generated PGK 965 M of cash from operating activities, applied PGK 150 M to leases used in operations, and generated a net of PGK 815 M from operations. PGK 450 M was declared to shareholders as a dividend.

The Company invested PGK 588 M in waste stripping for future ore sources and capital projects. Investment was partially funded by an increase in borrowings of PGK 96 M.

A consolidated cash balance of PGK 155 M was held as at 31 December 2023, which was PGK 48 M higher than the previous year.

CONSOLIDATED INCOME STATEMENT AND BALANCE SHEET

	CONSOLIDATED	
	2023 K'000	2022 K'000
CONTINUING OPERATIONS		
OPERATING REVENUE:		
Sales Revenue	3,958,575	3,524,833
Other operating income/ (expenses), net	48,256	(35,022)
TOTAL OPERATING REVENUE	4,006,831	3,489,811
Mining costs	791,027	754,495
Processing costs	791,578	776,355
General and administrative costs	611,696	756,494
Depreciation and amortisation	499,447	445,046
Exploration costs	39,307	49,767
Marketing costs	195,776	184,927
TOTAL OPERATING COSTS	2,928,831	2,967,084
PROFIT FROM OPERATING ACTIVITIES	1,078,000	522,727
Finance income	3,953	11,747
Finance costs	124,983	81,920
PROFIT BEFORE INCOME TAX	956,970	452,554
Income tax expense	275,366	151,283
NET PROFIT FOR THE YEAR	681,604	301,271

DISCUSSION OF INCOME STATEMENT

REVENUE

Total sales revenue in 2023 was PGK 3,959 M, which was 12% higher than 2022 due to an increase in copper and gold production of 18% and 3%, respectively.

OPERATING COSTS

Operating costs in 2023 were PGK 3.0 billion, which was 1% or PGK 38 M lower than the previous year. This was primarily a result of the managements' strategy to reset, restore and reinvigorate the business which was implemented in 2023. The strategy includes cost reduction measures that were carried out in 2023 which saw a reduction in operating costs compared to previous year. Marketing costs increase represents an increase in shipment volumes.

PROFITABILITY

The company generated a consolidated after-tax profit of PGK 682 M which was PGK 381 M higher than 2022 and reflected the after-tax impact of higher sales revenue PGK 434 M coupled by reduction in operating cost of PGK 38 M.





CONSOLIDATED BALANCE SHEET

	2023 (PGK M)	2022 (PGK M)
RESULTS: BALANCE SHEET		
ASSETS		
Cash and cash equivalents	155	107
Trade and other receivables	454	406
Inventories	1,520	1,119
Prepayments & Other Current Assets	234	181
Income Tax refund	18	29
TOTAL CURRENT ASSETS	2,382	1,841
Financial assurance fund	933	848
Property, plant, equipment and mine development	4,610	4,688
Restoration and rehabilitation	0	0
TOTAL NON-CURRENT ASSETS	5,548	5,559
LIABILITIES		
Trade and other payables	503	347
Borrowings	365	273
Provisions	305	263
Income Tax Payable	0	0
TOTAL CURRENT LIABILITIES	1,173	883
Restoration and rehabilitation	460	610
Bank Loan and facilities	344	257
Provisions	1,466	1,411
TOTAL NON-CURRENT LIABILITIES	2,270	2,277
NET ASSETS	4,487	4,241
EQUITY		
Share capital	195	195
Foreign Currency Reserves	0	0
Retained earning	4,278	4,046
Non-Controlling Interest	14	0
TOTAL EQUITY	4,487	4,241

DISCUSSION OF BALANCE SHEET

OTML (Ok Tedi Mining Limited) retains a strong balance sheet with total assets exceeding total liabilities by PGK 4.5 billion. The company is comfortably solvent with current assets exceeding current liabilities by PGK 1.2 billion, and a consistent record of profitability.

CASH AND BORROWINGS

Cash on hand at the end of 2023 was PGK 155 M. This was PGK 48 M higher than previous year indicating increased production and sales whilst also implementing cost reduction measures as part of the new strategy.

RECEIVABLES

Trade and other receivables were PGK 454 M as at 31 December 2023. This was higher than the previous year (PGK 406 M) and due to production and sales timing of concentrate shipments.

INVENTORY

Inventories on hand which includes ore and product inventories at 31 December 2023 were PGK 1,520 M, which was 36% higher than the previous year (PGK 1,119 M). This increase is primarily due to higher inventory of copper concentrate stock in storage shed and additional product in circuit.

NON-CURRENT ASSETS

The Financial Assurance Fund is maintained to fund estimated mine closure obligations. The value of the fund increased from PGK 848 M at the end of 2022 to PGK 933 M at 31 December 2023, due to portfolio gains associated with increased value of bond holdings (driven by interest rate increases) during the year.

Property, Plant and Equipment decreased by PGK 78 M during the year to PGK 4,610 M mainly attributable to depreciation and amortisation during the year offset by investment in replacing ageing infrastructure.

TRADE AND OTHER PAYABLES

Trade and other payables at the end of 2023 were PGK 503 M. This was PGK 156 M higher than the previous year (PGK 347 M).

NON-CURRENT LIABILITIES

Non-current liabilities at 31 December 2023 were PGK 2,270 M, and primarily include the provision for mine closure costs (PGK 460 M), leased liabilities reported in accordance with IFRS 16 (PGK 579 M), and a provision for deferred income tax liability of PGK 887 M, which reflects the timing difference between depreciation for accounting and taxation purposes.

EQUITY

The Company distributed PGK 450 M as dividends during the year, after booking a net profit after tax of PGK 682 M, marginally improving the net equity to PGK 4.5 M. The non-controlling interest reflect community interest in the West Agro subsidiary.





GENERAL STANDARD DISCLOSURES (GRI) 2023

GRI STANDARD (2020)	DISCLOSURE TITLE	SECTION/ PAGE NUMBER	EXTERNAL ASSURANCE
ORGANIZATIONAL PROFILE			
2-1	Organisational details	Not included in assurance scope	Not applicable to review
2-6	Activities, value chain and other business relationships	Not included in assurance scope	Not applicable to review
2-7	Employees	Not included in assurance scope	Not applicable to review
2-8	Workers who are not employees	Not included in assurance scope	Not applicable to review
2-23	Policy commitments	Not included in assurance scope	Not applicable to review
3-3	Management of Material Topics	Not included in assurance scope	Not applicable to review
2-28	Membership of associations	Not included in assurance scope	Not applicable to review
STRATEGY			
2-22	Statement on sustainable development strategy	Chairman pp 8 - 9, CEO and MD pp 10 - 11.	YES
ETHICS AND INTEGRITY			
2-23	Policy commitments	Not included in assurance scope	Not applicable to review
2-26	Mechanisms for seeking advice and raising concerns	Governance pp 12 - 13, People pp 28 - 29	PARTIAL
GOVERNANCE			
2-9	Governance structure and composition	Not included in assurance scope	Not applicable to review
2-13	Delegation of responsibility for managing impacts	Not included in assurance scope	Not applicable to review
2-11	Chair of the highest governance body	Not included in assurance scope	Not applicable to review
2-10	Nomination and selection the highest governance body	Not included in assurance scope	Not applicable to review
2-15	Conflicts of interest	Not included in assurance scope	Not applicable to review
2-12	Role of highest governance body in overseeing the management of impacts	Not included in assurance scope	Not applicable to review
2-17	Collective knowledge of the highest governance body	Not included in assurance scope	Not applicable to review
2-18	Evaluation of the performance of the highest governance body	Not included in assurance scope	Not applicable to review
2-14	Role of the highest governance body insustainability reporting	Not included in assurance scope	Not applicable to review
2-16	Communication of critical concerns	Governance pp 12 - 13	Not applicable to review
2-19	Remuneration policies	Not included in assurance scope	Not applicable to review
2-20	Process to determine remuneration	Not included in assurance scope	Not applicable to review
2-21	Annual total compensation ratio	Not included in assurance scope	Not applicable to review
STAKEHOLDER ENGAGEMENT			
2-29	Approach to stakeholder engagement	Social Responsibility pp 40 - 41, Regional map - inside front cover	YES
2-30	Collective bargaining agreements	Not included in assurance scope	Not applicable to review

GRI STANDARD (2020)	DISCLOSURE TITLE	SECTION/ PAGE NUMBER	EXTERNAL ASSURANCE
REPORTING PRACTICE			
2-2	Entities included in the organisations sustainability reporting	Not included in assurance scope	Not applicable to review
3-1	Process to determine material topics	Not included in assurance scope	Not applicable to review
3-2	List of material topics	Not included in assurance scope	Not applicable to review
2-4	Restatements of information	Not included in assurance scope	Not applicable to review
2-3	Reporting period, frequency and contact point	Not included in assurance scope	Not applicable to review
2-5	External assurance	Not included in assurance scope	Not applicable to review
MANAGEMENT APPROACH			
3-3	Management of Material Topics	Not included in assurance scope	Not applicable to review
SPECIFIC STANDARD DISCLOSURES including MINING and METALS SUPPLEMENT			
GRI STANDARD	DISCLOSURE TITLE	SECTION/ PAGE NUMBER	EXTERNAL ASSURANCE
ECONOMIC			
ECONOMIC PERFORMANCE			
201-1	Direct economic value generated and distributed	Not included in assurance scope	Not applicable to review
201-4	Financial assistance received from government	Not included in assurance scope	Not applicable to review
MARKET PRESENCE			
202-1	Ratios of standard entry level wage by gender compared to local minimum wage	Not included in assurance scope	Not applicable to review
202-2	Proportion of senior management hired from the local community	Not Reported	Not applicable to review
INDIRECT ECONOMIC IMPAC			
203-1	Infrastructure investments and services supported	Social responsibility pp 40 - 47	YES
203-2	Significant indirect economic impacts	Not included in assurance scope	Not applicable to review
PROCUREMENT PRACTICES			
204-1	Proportion of spending on local suppliers	Not included in assurance scope	Not applicable to review
ANTI-CORRUPTION			
205-2	Communication and training about anti-corruption policies and procedures	Not included in assurance scope	Not applicable to review



SPECIFIC STANDARD DISCLOSURES including MINING and METALS SUPPLEMENT

GRI STANDARD	DISCLOSURE TITLE	SECTION/ PAGE NUMBER	EXTERNAL ASSURANCE
ENVIRONMENTAL			
MATERIALS			
301-1	Materials used by weight or volume	Environment pp 34 - 39	YES
301-2	Recycled input materials used	Not included in assurance scope	Not applicable to review
ENERGY			
302-1	Energy consumption within the organisation	Not included in assurance scope	Not applicable to review
302-3	Energy intensity	Not included in assurance scope	Not applicable to review
302-4	Reduction of energy consumption	Not included in assurance scope	Not applicable to review
WATER			
303-1	Water withdrawal by source	Environment pp 37, 39	YES
303-3	Water recycled and reused	Not included in assurance scope	Not applicable to review
BIO-DIVERSITY			
304-2	Significant impacts of activities, products, and services on biodiversity	Environment pp 34 - 37	YES
EMISSIONS			
305-1	Direct (Scope 1) GHG emissions	Not included in assurance scope	Not applicable to review
305-4	GHG emissions intensity	Not included in assurance scope	Not applicable to review
305-5	Reduction of GHG emissions	Not included in assurance scope	Not applicable to review
EFFLUENTS AND WASTE			
306-1	Waste generation and significant waste-related impacts	Environment pp 36 - 39	YES
306-2	Management of significant waste-related impacts	Environment pp 36 - 39	YES
306-3	Waste generated	Environment pp 36 - 39	YES
306-5	Waste directed to disposal	Environment pp 34 - 39	YES
ENVIRONMENTAL COMPLIANCE			
307-1	Non-compliance with environmental laws and regulations	Environment pp 34, 37	YES

GENERAL STANDARD DISCLOSURES (GRI) 2023 (CONTINUED)

SPECIFIC STANDARD DISCLOSURES including MINING and METALS SUPPLEMENT

GRI STANDARD	DISCLOSURE TITLE	SECTION/ PAGE NUMBER	EXTERNAL ASSURANCE
SOCIETY			
EMPLOYMENT OCCUPATIONAL HEALTH AND SAFETY			
403-1	Occupational health and safety management system	Safety pp 16 - 19	YES
403-2	Hazard identification, risk assessment, and incident investigation	Safety pp 16	YES
403-3	Occupational health services	Safety pp 16 - 19	YES
403-4	Worker participation, consultation, and communication on occupational health and safety	Safety pp 16 - 19	YES
403-5	Worker training on occupational health and safety	Safety pp 19	YES
403-6	Promotion of worker health	Safety pp 16 - 19	YES
403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	Safety pp 16 - 18	YES
403-8	Workers covered by an occupational health and safety management system	Safety pp 16	YES
403-9	Work-related injuries	Safety pp 16	YES
403-10	Work-related ill health	Safety pp 29	YES
TRAINING AND EDUCATION			
404-2	Programs for upgrading employee skills and transition assistance programs	People pp 30 - 33	NO
404-3	Percentage of employees receiving regular performance and career development reviews	Not included in assurance scope	Not applicable to review
DIVERSITY AND EQUAL OPPORTUNITY			
405-1	Diversity of governance bodies and employees	People pp 31, 32	YES
405-2	Ratio of basic salary and remuneration of women to men	Not included in assurance scope	Not applicable to review
NON-DISCRIMINATION			
406-1	Incidents of discrimination and corrective actions taken	Not included in assurance scope	Not applicable to review
SECURITY PRACTICES			
410-1	Security personnel trained in human rights policies or procedures	Safety pp 18	PARTIAL

SPECIFIC STANDARD DISCLOSURES including MINING and METALS SUPPLEMENT

GRI STANDARD	DISCLOSURE TITLE	SECTION/ PAGE NUMBER	EXTERNAL ASSURANCE
LOCAL COMMUNITIES			
413-1	Operations with local community engagement, impact assessments, and development programs	Social Responsibility pp 40 - 47	YES
413-2	Operations with significant actual and potential negative impacts on local communities	Social Responsibility pp 40 - 47	YES
SUPPLIER SOCIAL ASSESSMENT			
414-1	New suppliers that were screened using social criteria	Not included in assurance scope	Not applicable to review
PUBLIC POLICY			
415-1	Political contributions	Not included in assurance scope	Not applicable to review
SOCIO-ECONOMIC COMPLIANCE			
2-27	Non-compliance with laws and regulations in the social and economic area	Not included in assurance scope	Not applicable to review
MINING AND METALS			
MM1	Amount of land (owned or leased, and managed for production activities or extractive use) disturbed or rehabilitated	Environment pp 37	YES
MM2	The number and percentage of total sites identified as requiring biodiversity management plans according to stated criteria, and the number (percentage) of those sites with plans in place	Not included in assurance scope	Not applicable to review
MM3	Total amounts of overburden, rock, tailings, and sludges and their associated risks	Environment pp 36, 38, 39	YES
MM4	Number of strikes and lock-outs exceeding one week's duration, by country	Not included in assurance scope	Not applicable to review
MM5	Total number of operations taking place in or adjacent to Indigenous peoples' territories, and number and percentage of operations or sites	Company profile pp 4	YES
MM6	Number and description of significant disputes relating to land use, customary rights of local communities and indigenous peoples	Social Responsibility pp 40, 41	YES
MM7	The extent to which grievance mechanisms were used to resolve disputes relating to land use, customary rights of local communities and indigenous peoples, and the outcomes	Social Responsibility pp 40, 41	YES
MM11	Programs and progress relating to materials stewardship	Not included in assurance scope	Not applicable to review



MATERIALITY COUNTS

Materiality Counts Independent Assurance Report to Ok Tedi Mining Limited (OTML).

SCOPE OF WORK

Materiality Counts was engaged by OTML to provide independent limited assurance of its 2023 Annual Review (the Report) to this scope of work outlined below. The Report covers OTML's operations for the 12 months to 31 December 2023, unless stated otherwise. The work was performed using Materiality Counts' assurance methodology to ISAE 3000, the International Standard on Assurance Engagements Other than Audits or Review of Historical Financial Information. Material issues formed the basis of the scope. Materiality Counts interviewed OTML personnel, reviewed data collation processes, sighted original records, interrogated spreadsheets and re-performed calculations.

The subject matter for the assurance consisted of data and statements relating to the following material issues: Environment: Waste rock, tailings and pyrite management; Safety: Nobody gets hurt; Social: Community development projects and consultation; Strategy: Delivery of the Strategic Business Plan.

The criteria for the assurance consisted of the following three elements:

- Provision of a balanced representation of material issues in the Report.
- Accuracy of the performance data and statements in the Report.
- Reporting with reference to the Global Reporting Initiative Sustainability Reporting Standards (GRI Standards).

MATERIALITY COUNTS' INDEPENDENCE

OTML was responsible for preparing the Report. Materiality Counts was responsible for expressing assurance conclusions regarding the material issues detailed above in line with the scope of work agreed with OTML. During the reporting period, Materiality Counts did not work with OTML on any other consulting work. Materiality Counts is an independent consultancy specialising in materiality determination, report development and assurance, stakeholder engagement and strategy development.

OUR CONCLUSION

Materiality Counts concludes that, based on the scope of work and related limitations, for the specified subject matter, OTML's 2023 Annual Review provides a balanced representation of the material issues concerning OTML, reports accurate performance information and satisfies the requirements of reporting with reference to the GRI Standards for the 12 months to 31 December 2023. In addition, Materiality Counts provided a management report to OTML.

KEY OBSERVATIONS

Based on the scope of work, and not affecting our assurance conclusion, the following good practice was identified:

- **ENVIRONMENT:** Tailings and waste rock data was again complete, accurate and could be readily assured.
- **SAFETY:** Safety incident evidence was again complete and supported accurate injury and frequency rate reporting.
- **SOCIAL:** Compliance reporting on the IFC Good Practice Note on Addressing Grievances from Project-Affected Communities and the UN Guiding Principles on Business and Human Rights was supported by evidence.
- **STRATEGY:** Operational data reporting demonstrated a high level of accuracy through consistency with raw data.

The following areas for improvement were identified:

- **ENVIRONMENT:** 1. Ensure completeness in non-compliance reporting. 2. Where assured data is subsequently changed, notify the assurance provider in a timely manner with an explanation why and supporting evidence. 3. Include narrative explaining year-on-year environmental performance, including tailings and waste rock data.

- **SAFETY:** 1. Include performance narrative in the Report to explain changes in the data year-on-year and outline what is being done to address them. 2. Use the final version of the previous year's Report as a starting point.
- **SOCIAL:** 1. Review evidence reliability to support data on OTML's financial contribution to local communities and the PNG economy. This data was removed from this year's assurance scope due to evidence reliability concerns.
- **STRATEGY:** 1. Establish internal quality checks for reporting to the right decimal place and using the correct units.

Materiality Counts congratulates OTML on its ongoing commitment to sustainability reporting in its Annual Review.



Materiality Counts, 22 August 2024

Melbourne, Australia

Materiality Counts has prepared this statement for OTML in accordance with the standard practiced by members of the consulting profession performing this type of service at the same time. No other warranty, express or implied, is given by Materiality Counts as a result of the provision of this statement. To the extent permitted by law, this statement is provided for informational purposes only, without the right to rely, and Materiality Counts will not be liable for any reliance which may be placed on this statement by a third party. This statement may not be used by any third party without Materiality Counts' express written permission.



ABBREVIATIONS

/	Per	GHG	Greenhouse Gas	MD	Managing Director	PNG	Papua New Guinea
%	Percent	GRI	Global Reporting Initiative	ML	Megalitres	POAP	Plan on a page
ANC	Acid Neutralising Capacity	GWh	Gigawatt hour	MOU	Memorandum of Understanding	PwC	PriceWaterhouseCoopers
APD	Asset Protection Department	ha	Hectare	Moz	Million ounces	SIFR	Significant Injury Frequency Rate
AS	Australian Standard	IFRS	International Financial Reporting Standards	MPA	Maximum Potential Acidity	SML1	Special Mining Lease One New York Breccia, Wellington, Gilor 10 and Komgubip
ASA&B	Advanced Safety Awareness & Behavioural	IMIU	International Mining Industry Underwriters	MROT	Mineral Resources OK Tedi	STP	Sewage treatment plant
Au	Gold	ISO	International Organisation for Standardization	Mt	Million tonnes	t	tonnes
CEO	Chief Executive Officer	km	Kilometre	Mtpa	Million tonnes per annum	TB	Tuberculosis
CEPA	Conservation Environment Protection Authority	Koz	Thousand ounces	MWh	Megawatt hour	TCS	Tax Credit Scheme
CGMS	Complaints and Grievance Management System	KPI	Key Performance Indicator	NID	National Identity	TRIFR	Total Recordable Injury Frequency Rate
CMCA	Community Mine Continuation Agreement	Kt	Thousand tonnes	NMSW	National Mine Safety Week	USD	United States Dollar
CO2-e	Carbon dioxide equivalent	lb	Pound	NZS	New Zealand Standards	µg/L	Microgram per litre
CR	Community Relations	LDP	Leadership Development Program	OTDF	Ok Tedi Development Foundation Limited	WaSH	Water, Sanitisation and Hygiene
CRP	Crusher Replacement Project	LTI	Lost Time Injury	OTEMA	Ok Tedi Environmental Management Act	WPPDTF	Western Province Peoples Dividend Trust Fund
Cu	Copper	LTIFR	Lost Time Injury Frequency Rate	OTML	Ok Tedi Mining Limited		
EWRD	Engineered Waste Rock Dump	M	Million	oz	Ounces		
FRPG	Fly River Provincial Government	Mm³	Million cubic metres	PCon	Pyrite concentrate		
g/t	Grams per tonne	m³	Cubic metres	PGK	Papua New Guinea Kina		
GDP	Gross Domestic Product	m³/t	Cubic metres per tonne	PJ	Petajoule		

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CAUTIONARY STATEMENT REGARDING FORWARD LOOKING INFORMATION

Certain information contained in this Annual Review 2023, including any information as to the Company's strategy, projects, plans, future financial or operating performance and other statements that express management's expectations or estimates of future performance, constitute "forward-looking statements". All statements, other than statements of historical fact, are forward-looking statements. The words "aim", "believe", "expect", "will", "should", "anticipate", "contemplate", "target", "plan", "project", "continue", "budget", "may", "intend", "estimate" and similar expressions identify forward-looking statements. Forward-looking statements are necessarily based upon a number of estimates and assumptions that, while considered reasonable by management, are inherently subject to significant business, economic and competitive uncertainties and contingencies. The Company cautions the reader that such forward-looking statements involve known and unknown risks, uncertainties and other factors, many of which are beyond the control of the Company, that may cause the actual financial results, performance or achievements of the Company to be materially different from the Company's estimated future results, performance or achievements expressed or implied by those forward-looking statements and the forward-looking statements are not guarantees of future performance. These risks, uncertainties and other factors include, but are not limited to the impact of global liquidity and credit availability on the timing of cash flows and the values of assets and liabilities based on projected future cash flows, changes in the worldwide price of gold, copper or certain other commodities (such as silver, fuel and electricity), possible variations of ore grade or recovery rates, failure of plant equipment or processes to operate as anticipated, ability to profitably produce and transport the Company's product, demand for the Company's product, fluctuations in foreign currency markets, risks arising from holding derivative instruments ability to successfully complete announced transactions and integrate acquired assets, legislative, political or economic developments in the jurisdictions in which the Company carries on business including increases in taxes, operating or technical difficulties in connection with mining or development activities, employee relations, availability and costs associated with mining inputs and labour, the speculative nature of exploration and development, including the risks of obtaining necessary licenses and permits and diminishing quantities or grades of reserves, changes in costs and estimates associated with the Company's projects and the risks involved in the exploration, development and mining business. There can be no assurance that forward-looking statements and information will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Accordingly, readers are cautioned not to place undue reliance on forward-looking statements and information due to inherent uncertainty. All forward looking statements and information made herein are qualified by this cautionary statement and speak only as at the date of issue of this Annual Review 2023. The Company disclaims any intention or obligation to publicly update, revise or review any forward-looking statements whether as a result of new information, future events or otherwise, except as required by applicable laws or regulations.

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OWNED BY THE STATE,
WESTERN PROVINCE, AND
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