

**Public Statement by Rt Hon Sir Mekere Morauta
Former Prime Minister and Member for Moresby North-West
Port Moresby, 25 April 2019**

O'Neill's lies show he still wants to get his tentacles on LTF \$1.4 billion



The Member for Moresby North-West, Sir Mekere Morauta, said today that Peter O'Neill's statement that BHP Billiton and I created PNGSDP as a private company with four shareholders, one of whom is me, is a deliberate lie manufactured by a man desperately trying to repair his public face following the comprehensive win by PNGSDP in the Singapore Supreme Court.

"Peter O'Neill also lied to the Singapore Court, through the State's affidavit, saying he had a document giving the State the power to control PNGSDP," Sir Mekere said. "He failed to produce the document as evidence to the Court, and the court decision exposed him as the liar he is."

"Why did he not produce such a document? Because no such document exists. He made it up, hoping this would convince the Singapore Court."

"Why is he still lying? Because he wants to get his tentacles on the \$1.4 billion in PNGSDP's Long Term Fund."

PNGSDP was established by the State of Papua New Guinea, BHP Billiton and Inmet, the shareholders of Ok Tedi Mining Ltd in 2000, to hold the BHP shareholding (then 52%) gifted by BHP.

The object of PNGSDP was to invest two-thirds of the future dividend flows from the shares into a Long Term Fund to be used after mine closure for sustainable development in Western Province. One-third of the dividend income was spent on development projects throughout the country, including Western Province.

PNGSDP was established as a not-for-profit company, limited by guarantee. It has no shareholders. In such company structures, used by charities, NGOs, sporting groups and other similar organisations, shareholders are replaced by members. I am a member of PNGSDP, not a shareholder.

Members do not derive any benefit from a limited guarantee company, as shareholders would from a limited liability company. The Program Rules, set jointly by the Government of PNG and BHP, prescribe that the benefits from PNGSDP flow only to PNG and Western Province.

Singapore documents purportedly showing I am a shareholder are pro-forma documents that do not provide for companies limited by guarantee. They do not provide for members instead of shareholders, as happens in many jurisdictions.

"The statement that I am a shareholder of PNGSDP is a naked, diabolical lie," Sir Mekere said.

"Increasingly, it seems that the Prime Minister is fabricating stories to cover his own misdeeds. If he actually believes his own lies, we should all be worrying about not only his level of intelligence, but also his sanity."

"The man is not fit to be Papua New Guinea's Prime Minister."

"Peter O'Neill's ceaseless attacks on PNGSDP and on me are due to his failure to gain access to the Long Term Fund – which is what he wants, desperately."

"He was not satisfied with the extremely valuable shareholding PNGSDP had in Ok Tedi, which he expropriated in 2013. He also wants the Long Term Fund, which now stands at over \$1.4 billion. He wants the lot."

"I want to assure the people of Western Province that their money in the Long Term Fund is safe, and will continue to be safe, whilst it is managed by an independent PNGSDP."

"It was my instruction to the advisory team when PNGSDP was established that the company was to be protected from political influence – from the tentacles of octopuses."

"The Singapore Court decision proved the independence of PNGSDP. I am proud that I led the fight and won it for the people of Western Province."