

PNG LNG TIMES

ExxonMobil supports earthquake disaster relief efforts

It has been described as one of the worst earthquakes to have hit the central Highlands of Papua New Guinea. The 7.5 magnitude earthquake that rocked many parts of the Highlands Region including the Western and Gulf Provinces on the morning of 26th of February 2018 and several subsequent large aftershocks, caused immeasurable devastation to the local communities.

Our team of experts safely shut down the Hides Gas Conditioning Plant, well pads and pipeline. Our personnel were quickly accounted for and confirmed safe. We subsequently safely evacuated non-essential staff to Port Moresby to reduce pressure on impacted camp facilities. In addition, ExxonMobil PNG held emergency meetings with disaster relief aid agencies, flew aid relief organisations representatives to affected areas to carry out initial assessments and worked closely with government agencies to determine where and how to direct resources to help our neighbours. At Hides there was some damage to various pieces of equipment and foundation supports but major process equipment was not significantly impacted. Administration buildings, living quarters, mess facilities and the Komo Airfield all sustained damage. The pipeline was not damaged and the LNG Plant near Port Moresby was safely



Mothers and children in Puba, Hela Province, were happy to receive food and water supplies from ExxonMobil PNG team.

shut down as a result of the impact to upstream facilities. Working with community partners, we delivered over 50 tonnes of food and water, more than 600 tarpaulins, 1,000 solar lights for households, 20 large solar lighting units for institutions as well as hygiene and medical kits to communities across the Highlands including Kutubu in the Southern Highlands, Hulia, Tari, Hayapuga and Komo in the Hela Province and Huiya in Western Province - in addition to support for relief agencies that required transport for their workers to affected areas.

"We will continue to support those communities impacted by the earthquake as we work toward fully restoring our operations."

Our community partners include the UN International Organisation for Migration, United Church PNG, Salvation Army PNG, Adventist Development Relief Agency (ADRA PNG) and Caritas PNG. Our focus is now turning to the longer term assistance with the restoration of health care facilities and community food

gardens, and providing resources to help the government address the significant task of restoring roads in the Highlands Region. On 13 April ExxonMobil announced the resumption of LNG production from PNG LNG with LNG exports expected to resume soon. One train is currently operating

at the LNG Plant and it is expected the second train will restart as production is increased over time. "Resuming LNG production ahead of our projected eight-week timeframe is a significant achievement for ExxonMobil, our joint-venture partners and our customers," said Neil W. Duffin, president of ExxonMobil Production Company. "We will continue to support those communities impacted by the earthquake as we work toward fully restoring our operations. We hope our contributions and assistance will provide comfort to those in need."

Message from Andrew Barry, Managing Director ExxonMobil PNG



The recent earthquake has deeply shocked us all. On behalf of the ExxonMobil PNG family, I would like to express our sincere condolences to the families and friends of those who have lost loved ones in this tragic event. Whilst the PNG LNG facilities in the Highlands have been impacted and it will take some time to repair the damage, it

cannot be compared to the effects this natural disaster has had on the people and communities in the impacted areas. Despite the challenges surrounding the earthquake disaster, it is important that we continue to talk about the very exciting opportunities we have in Papua New Guinea. The country is well placed to

capture a new round of investment opportunities to drive further growth. For me, the earthquake has reinforced the need for all stakeholders to continue to work together - harder, smarter and focused to help Papua New Guinea re-establish itself as one of the most reliable suppliers of LNG in the world, and move

opportunities forward and to encourage new investment in this great country. I have a deep respect for the resilience of all Papua New Guineans and I truly believe over time this country will emerge stronger than ever and we at ExxonMobil will be there right by your side every step of the way.

Earthquake disaster relief efforts



The earthquake triggered landslides that devastated many homes and villages.



Buildings were moved off their foundations in Yalanda and Baguale. A church in Kulu village, Hela Province (far right) also suffered damages.



Road cracks in Anguale caused by the earthquake made it impassable for vehicles to drive through.



Cracks in the road at the entrance to the Hides Gas Conditioning Plant.



Landslides of earth and debris caused by the earthquake, flowed down the slopes into the Tagari River.





Relief supply packs arrive in Moro.



Our team also delivered food and water supplies to affected communities in Western Province and visited the Gesesu distribution centre.



Emergency meetings were held at ExxonMobil offices in Port Moresby between ExxonMobil PNG executives and aid agencies to provide disaster relief to affected communities.



A temporary relief distribution centre at Huiya village. The centre accommodated local communities from six other villages near Mt Sisa that were badly devastated by the earthquake.



PM Peter O'Neill visited the Hides Gas Conditioning Plant after the earthquake.



ExxonMobil PNG staff volunteers took time out from work to assist aid agencies pack relief supplies.



Our Community Affairs team delivered tarpaulins, food and water supplies to Puba village in Hela Province.



Relief supplies packed and loaded at the Jacksons Airport in Port Moresby headed for Moro.

Safety first: Teams work together to restore Hides camp facilities



HGCP Senior Field Superintendent Murray Johnson (left) inspecting damage to buildings at HGCP with Executive Vice President Hugh Thompson.

4 The administration buildings, living quarters, mess facilities at the Hides Gas Conditioning Plant and the Komo Airfield sustained damages after the 26 February earthquake. Our team at HGCP have continued to work hard to address the impacts of the earthquake while keeping people safe in a dynamic situation. "Our HGCP and camp site have changed significantly since the earthquake," Senior

Field Superintendent Murray Johnson explained. "There are new hazards that did not exist before. Within a short period after the earthquake, our OIMS and Safety teams developed a tailored safety induction briefing to suit the new conditions at site - including site maps that detail specific hazards and exclusion zones." The updated briefing is conducted daily and everyone that arrives at site is required to attend, regardless of

whether this is their first time at site or they've been working here for the past five years. "This way we can ensure everyone is apprised of all the hazards and up to date with the latest safety information. And the same briefing is displayed in a video presentation at our charter flight check-in lounge in Port Moresby." The team has also been innovative in managing resources in a time of

constrained logistics - creating ways to reduce their use of diesel and to improve their access to potable water. Also damaged in the earthquake was the HGCP camp water treatment plant and four of the water storage tanks. "For the first four days after the earthquake, we had no running water, no sewage systems, no flushing toilets and no showers - we were using bottled water and portable

toilets available at site," Murray explained. "Teams at site worked tirelessly to re-establish raw water storage and distribution systems to get toilets and showers working again". But raw water is not acceptable for preparation of food, cooking of meals and washing of cooking equipment and dishes because it has not been treated to make it safe for human consumption. As a result, the camp was consuming 100 boxes of bottled water per day for drinking, preparing and cleaning up after meals. The Total Waste Management team at site was able to use their expertise and spare parts available at site to build a temporary water treatment system, mounted on a wooden pallet and producing to a sterilised water transport truck. After testing and approval from ExxonMobil PNG Medical Occupational Health, this source of potable water was supplied to the rebuilt kitchen for meal services. "ExxonMobil has mobilised resources from all corners of the globe to assist with the rebuild effort - focusing on how to safely restore plant functionality and gas production," Murray said. "Our recovery and rebuild efforts so far have been completed without a single incident or injury - and that will remain our No. 1 goal."



Water tanks at Hides Gas Conditioning Plant were damaged in the earthquake.

Working together with the community

"Our operations were also affected but then we started to see how we could help the community. It took some time at first. Telecommunication was bad and logistics were very difficult."

When there is tragedy in your community, you show up. "In PNG, our social fabric is communal and members of a community look out for one another. We show up when our neighbours are hurting or in need. As a company, we tried our best to show up and be with our neighbours after the earthquake disaster happened," explains Sam Koyama, Community Affairs Manager, EMPNG. "It's about turning up and being there for our neighbours," says Sam. In the days and weeks after the February 7.5 magnitude earthquake, aftershocks and landslips, there was much tragedy in our community. ExxonMobil PNG did its best to show up.

"Our operations were also affected but then we started to see how we could help the community. It took some time at first. Telecommunication was bad and logistics were very difficult," said Sam. In Port Moresby, at our ExxonMobil offices, and on the front line of the devastation - near the Hides Gas Conditioning Plant and Moro - EMPNG employees and contractors moved more than 37 tonnes of food, 14 tonnes of water, shelter supplies, plus health and medical supplies. In the early days, much of it was moved by hand - as much as seven tonnes in a day, with every available person pitching in, and most importantly - done safely every day. Logistics Supervisor Ben

Ireland, who, with Public Affairs advisor Ben Kincade, was one half of the "Bens of Moro" logistics wizardry, says that was a brisk effort when C-130s landed massive loads. "At first, we had to do it all by hand," Ben says. "It was a skeleton crew here at first, and anyone who was around chipped in." Constant phone calls to contacts within villages across the devastated areas helped start to paint a picture of where the greatest needs were. "Ben had a strategy, a good sense of what we needed to do," said Ireland. "And we had



Our Community Affairs team delivered food and water supplies to communities in Gesesu, Western Province.

great support from Port Moresby. Our management said, you've got the aid, you've got the assets, go give help where it's needed. It meant a lot that the company cared about the communities that were hardest hit, whether they were immediately within our project area or not." Up at the HGCP, EMPNG teams were in action, assessing the impacts of the earthquake on operations. The site had been safely shut down, and - despite having no running

water or kitchen for meal preparation - the workers on site knew there was great need outside of the fence line. "We could hear locals in the community, mourning over loved ones lost as a result of the earthquake," said Richard Haguai, Upstream Community Affairs Manager. With only a small, essential operations team on site, the seven Community Affairs Officers who were at camp, gradually began to reach out to connect with the affected

community members. People were talking with great emotions as they had lost family members, properties and gardens in the earthquake," said Richard. "We did less talking and listened a lot as the earthquake had affected many households. When we received the initial supply of tarpaulins, ropes and bottled water, we started to distribute to the central distribution locations," said Richard.



ExxonMobil PNG Logistics and Community Affairs team members Ben Ireland, Mark Beidham and Simon Gawa flanked by the community at Fuma when they delivered relief supplies to the community.

New community hall for Lealea



The new community hall at Lealea.

Lealea community near the PNG LNG plant site has a new community hall built as part of ExxonMobil PNG's Community Development Support program. The community hall will become an important place to

meet and hold community events. Village court sessions for the Buria Village Court and its 13 magistrates from Papa and Lealea villages will also be conducted at the new community hall.

The current court sessions are held at the ExxonMobil PNG funded Lealea Fish Market which will be returned to the fishermen for its intended purpose to sell their fish and seafood. When handing over the

community hall to village elders, PNG LNG Plant Superintendent Al Sandoval said ExxonMobil PNG was delighted to work with the Lealea community to provide an important resource for community activities and events.

"We will now have our weekly village court sessions in the new building and this will alleviate and address many law and order and social issues that we are facing in the village," said Lealea village councillor Billy Tai.

6

Resource centre for Boera women



(L-R) Gas Resources LNGP chairperson Ulato Avei, LNG Plant Operations Manager Jagir Baxi, founder of Diari Tailoring Project, Doreka Dai and Boera village Councillor Vavine Dai cutting the ribbon.

ExxonMobil PNG handed over a new Women's Resource Centre to Boera village recently. The K260,000 resource centre will be used for capacity building and small to medium enterprise (SME) initiatives for women in the PNG LNG plant site villages. "Working in partnership with our local communities is extremely important to us. We are investing heavily in community development programs to promote economic growth

and improve the quality of life for the people of this country," said LNG Plant Operations Manager Jagir Baxi. The Women's Resource Centre will be the home for the Diari Tailoring Project that will be able to increase the number of free-of-charge training places it can offer to single mothers, widows and disadvantaged women. The Centre will also host ExxonMobil PNG supported training like the YWCA financial literacy training, other training

opportunities and provide a local base for broader discussion around social issues affecting women. Councillor Vavine Dai from Boera village thanked ExxonMobil PNG for the new infrastructure and assured the company they would look after the Centre while looking forward to seeing the broader opportunities the facility would provide to women in their community.

Redscar High School staffroom gets new look



A school staffroom is the place in which educators spend the majority of their non-teaching school time and as such, a staffroom is important for improving teaching staff's wellbeing and building a sense of community and connectedness. The Redscar High School teachers' staffroom was recently refurbished by ExxonMobil PNG. Guests of ExxonMobil PNG and representatives from the school board and community toured the new staffroom facility.

A tale of two brothers



Brothers Francis (left) and Patrick Kunuma (right) share a light moment at work.

Two brothers, one opportunity. An opportunity they seized to venture into an area of business that is crucial to the growing energy sector market but one that very few Papua New Guineans have ever attempted.

Their story has an air of improbability – the sons of a humble gardener from Ialibu, Southern Highlands Province. Their father tended the flower gardens of Brian Hagney, a former Australian patrol officer-turned businessman in Mt Hagen, Western Highlands Province. He later trained to roast and pack tea and ground coffee in Brian's small scale coffee mill so that his sons could get the education he never had.

Fast forward to the next generation, older brother Francis Kunuma is a civil engineer and his brother Patrick is a mechanical engineer.

Together, they own Nares Engineering Limited – a business that specialises in equipment inspection and Non-Destructive Testing (NDT) services.

'Nare' is their grandfather's name and means 'sun' in their Kewabi language of Ialibu. Liquefied natural gas (LNG) plants are large, complex and technically sophisticated. It is an environment where safety, environmental sustainability and regulatory compliance are prioritised along with security and operating efficiently. Keeping equipment downtime to a minimum is a priority and so ExxonMobil PNG counts on Non-Destructive Testing (NDT) technologies and equipment

for regular testing of components and systems, routine mechanical checks and preventative maintenance that help prevent unscheduled downtime.

Nares Engineering made its debut in 2008 with Francis as Managing Director and Patrick as Non-Destructive Evaluation (NDE) Manager. Small and medium enterprises (SMEs) are the backbone of any economy but risks are inherent, budgets can be tight and challenges abound. Like any SME, and being a relative newbie in the inspection and non-destructive testing world, Nares Engineering is not immune to challenges. "Our business is fairly young and meeting our clients'

expectations while competing with major inspection and NDT service providers from overseas, who have been in the industry for decades and have established their setup in PNG, is a huge challenge.

"Our biggest challenge is the training and up-skill of our staff to keep up with changes in inspection and NDT technology. We have to send them overseas because training in this field is not provided locally," said Francis. Nares Engineering currently employs 13 staff who are all Papua New Guinean. From 2012, Nares Engineering has provided inspection and NDT services to PNG LNG. In the beginning it was as sub-contractor during construction

of the LNG plant and the drilling stage at Hides and now as a primary contractor, providing NDT services at the LNG plant.

Another team from Nares Engineering will begin work in Hides soon. An important attribute of the partnership between Nares Engineering and ExxonMobil PNG has been the strong collaboration between engineers from both organisations to help Nares Engineering enhance its existing inspection practices towards world-class standards that ExxonMobil applies across its global production operations. Recently, Nares Engineering won the 2017 overall Best

Performing SME at the bi-annual SME Leadership Awards, hosted by the Institute of Banking and Business Management (IBBM) Enterprise Centre. The firm also won the category award for Business Management.

"It is the first time Nares Engineering has received recognition awards and that was a great feeling after years of sacrifice and hard work. With guidance from the IBBM Enterprise Centre, we also developed a business management system that meets the required international standard which enables us to provide services to large international companies," said Francis. Established in 2010 in partnership with ExxonMobil PNG, the role of IBBM Enterprise Centre is to help build the capacity of local businesses in Papua New Guinea.

"Our continued support for the PNG Institute of Banking and Business Management Enterprise Centre (IBBM) continues to provide training opportunities for a large range of local businesses.

The Enterprise Centre has been instrumental in helping Papua New Guinean businesses and landowner companies build long-term sustainable businesses supporting PNG LNG," said ExxonMobil PNG Managing Director Andrew Barry.

Primary functions of the Enterprise Centre include business training, business advisory, mentoring and coaching, SME Leadership Awards, PNG employment and supplier database and Project Information Centre.



Nares technicians Daniel Pere (left) and Rodney Kuala (right) carrying out inspection at the PNG LNG plant.

ExxonMobil PNG supports World Wildlife Day

World Wildlife Day is celebrated on March 3 every year and recognises the importance of the world's wildlife and the need to protect it. ExxonMobil PNG has been partnering with the Port Moresby Nature Park for the last three years to host World Wildlife Day at the park. On Saturday 3rd March, the

event showcased the works of conservation organisations as well as government departments in their efforts to promote the protection of Papua New Guinea's wildlife. Many students and families visited the different booths to learn about the work different organisations were doing to protect wildlife.



The Advancing PNG: Women's Leaders Network (APNG;WLN) showcased their products made from the environment and also carried out an earthquake disaster relief appeal, supported by ExxonMobil PNG staff volunteers.



Many people including families took time out to visit the different booths at Nature Park in Port Moresby during World Wildlife Day.

ExxonMobil PNG thanks its community development partners

More than 100 organisations attended a community partner thank you event, hosted by ExxonMobil PNG earlier this year. ExxonMobil PNG Managing Director Andrew Barry acknowledged the many development partners the company works with including community organisations, government agencies, NGOs and aid agencies. "Our approach has always been to build partnerships to identify, define and prioritise potential programs to deliver results that meet stakeholder needs," said Barry. "Through a range of innovative and strategic community

programs, we are using our combined talents to improve access to education and health care, elevate women's initiatives, enhance livelihoods and protect the country's extraordinary biodiversity," said Andrew. A number of organisations showcased and spoke about the work they were doing in partnership with ExxonMobil PNG. Since 2014, ExxonMobil PNG has invested over K820 million in community and infrastructure development programs focused on education, health, women's empowerment, environment and agriculture.



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The PNG LNG Project is an integrated development that includes gas production and processing facilities, onshore and offshore pipelines and liquefaction facilities. Participating interests are affiliates of ExxonMobil Corporation (including ExxonMobil PNG Limited as operator), Oil Search Limited, Kumul Petroleum Holdings Limited, Santos Limited, JX Nippon Oil and Gas Exploration and Mineral Resources Development Company.