



OFFICE OF THE PRIME MINISTER

MEDIA RELEASE

FOR IMMEDIATE RELEASE

Prime Minister Marape Announces Historic Initialing of Gas Agreement for Pasca Offshore Gas Project

Sydney, Australia, December 9, 2024 – The Government of Papua New Guinea, under the leadership of Prime Minister Hon. James Marape, has initialed a landmark Gas Agreement with Twinza Oil Ltd, the operator of the Pasca offshore gas project. This transformative agreement paves the way for the development of Papua New Guinea's first offshore petroleum project, located off the coast of Gulf Province. It will be submitted to the National Executive Council for approval next week before being presented to Government House for formal endorsement by the Governor-General and signing.

This Gas Agreement represents the Pangu Government's unwavering commitment to ensuring that the wealth generated from Papua New Guinea's natural resources benefits its people. The 70% state take achieved in this agreement -inclusive of taxes, royalties and equity participation - is a testament to the leadership of Prime Minister Marape and the tireless efforts of the State Negotiating Team (SNT) to secure the best possible outcomes for the nation.

The Pasca A Gas Project represents a significant step forward in Papua New Guinea's energy ambitions, laying the foundation for future offshore resource developments. The project will initially produce natural gas liquids, including condensate and liquefied petroleum gas (LPG), while also establishing the groundwork for liquefied natural gas (LNG) exports.

Prime Minister Marape emphasised the importance of the initialing, stating: " This Gas Agreement is a testament to our commitment to securing the best outcomes for Papua New Guinea. With an unprecedented 70% state take, we are ensuring that the benefits of this resource are channeled directly to our people. This is not just a project—it's a step toward economic sovereignty and a brighter future for all Papua New Guineans."

Discovered in the 1960s, the Pasca field has undergone decades of extensive appraisal and preparation. Its development is projected to deliver over K500 million annually in revenues and create approximately 500 permanent jobs, with significant local benefits for Gulf Province.

Prime Minister Marape added: "The Pasca A Gas Project symbolises what Papua New Guinea can achieve when we prioritise unity and sustainability. As we approach our 50th anniversary of independence in 2025, this project reflects our nation's resilience and potential. It is an example of how we can leverage our natural resources responsibly to uplift our people.

"The agreement underscores the government's commitment to transparency and accountability. It will be submitted to the National Executive Council for approval next week before being presented to Government House for formal endorsement by the Governor-General and signing."

Highlighting the project's strategic importance, Prime Minister Marape stated: "This project isn't just about energy production—it's about positioning Papua New Guinea as a key player in the global energy market. The Pasca A Project will enhance our energy security, fulfill domestic market obligations, and create export opportunities, while opening the door to further exploration in the Gulf of Papua.

"In May 2024, the Mineral Resources Development Company Limited (MRDC) and Twinza formalised a partnership agreement regarding the Pasca A Gas Project. This collaboration allows MRDC to acquire up to a 50% participating interest in the project, while Twinza retains its role as the project operator. This partnership ensures greater local participation and guarantees that benefits flow directly to the people of Papua New Guinea."

Prime Minister Marape concluded:" As the nation prepares to celebrate its golden jubilee, the Pasca A Gas Project stands as a beacon of progress, unity, and sustainability. It is a symbol of what Papua New Guinea can achieve through collaboration, innovation, and a shared commitment to national development."

ENDS