



Kumul Petroleum Holdings Limited

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Kumul Petroleum Holdings Limited announces awarding of contracts to fuel Papua New Guinea's future electricity generation.

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Kumul Petroleum Holdings Limited (KPHL), Papua New Guinea's National Oil Company (NOC), is pleased to announce the awarding of two contracts for the design development and engineering of a new Floating, Storage, Re-gasification and Power Generation (FSRP) facility.

This announcement is an important step towards meeting the demand and supply requirement set out in the PNG 2030 Strategic Plan. KPHL is committed to working towards the Plan's goal of connecting 70% of the PNG population to secure electricity by 2030. It will also provide PNG's growing heavy industries with much needed environmentally cleaner and sustainable fuel options for their additional power generation requirements they seek to increase productivity.

The new FSRP facility will have the capacity to generate 75 MW of power to be exported to the local transmission grid. It will be located on the northern coast of PNG, close to Lae, bringing much-needed power generation to the area which contains some of the country's key resources projects.

Commenting on the development of the project KPHL's Managing Director Mr Wapu Sonk said: "KPHL has undertaken a robust design evaluation process with some of the world's best companies to get to this point. We've worked with the industry leaders to ensure the facility we build has the ability to provide PNG with world-class energy infrastructure that will power the country's future.

"The benefits of this facility will be felt by all Papua New Guineans. Not only will more people have access to electricity in the home, but industry will be able to grow providing a better economic outlook for the future.

"KPHL is proud to be an integral part in the delivery of the power generation needs set out in the 2030 Strategic Plan. This facility in partnership with the other projects currently underway will deliver a better PNG for its people in the near future."

The multipurpose FSRP facility design will provide first gas in Q4, 2024. It will be able to load and store 140,000m³ of LNG, which can be offloaded to small scale (SS) bulk cargo vessels and redistributed to smaller local power generation locations such as Lihir and other provincial Islands. It will also regasify and export localised gas via pipeline for heavy industry.

The first of the contracts has been awarded to Chiyoda Corporation headquartered in Japan in partnership with Moss Maritime of Norway. The second contract has been awarded to Wison Offshore and Marine based in Shanghai, China.

A feasibility study executed in early 2019 identified Lae in the Morobe Province as the most economically suitable and technologically feasible location.

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