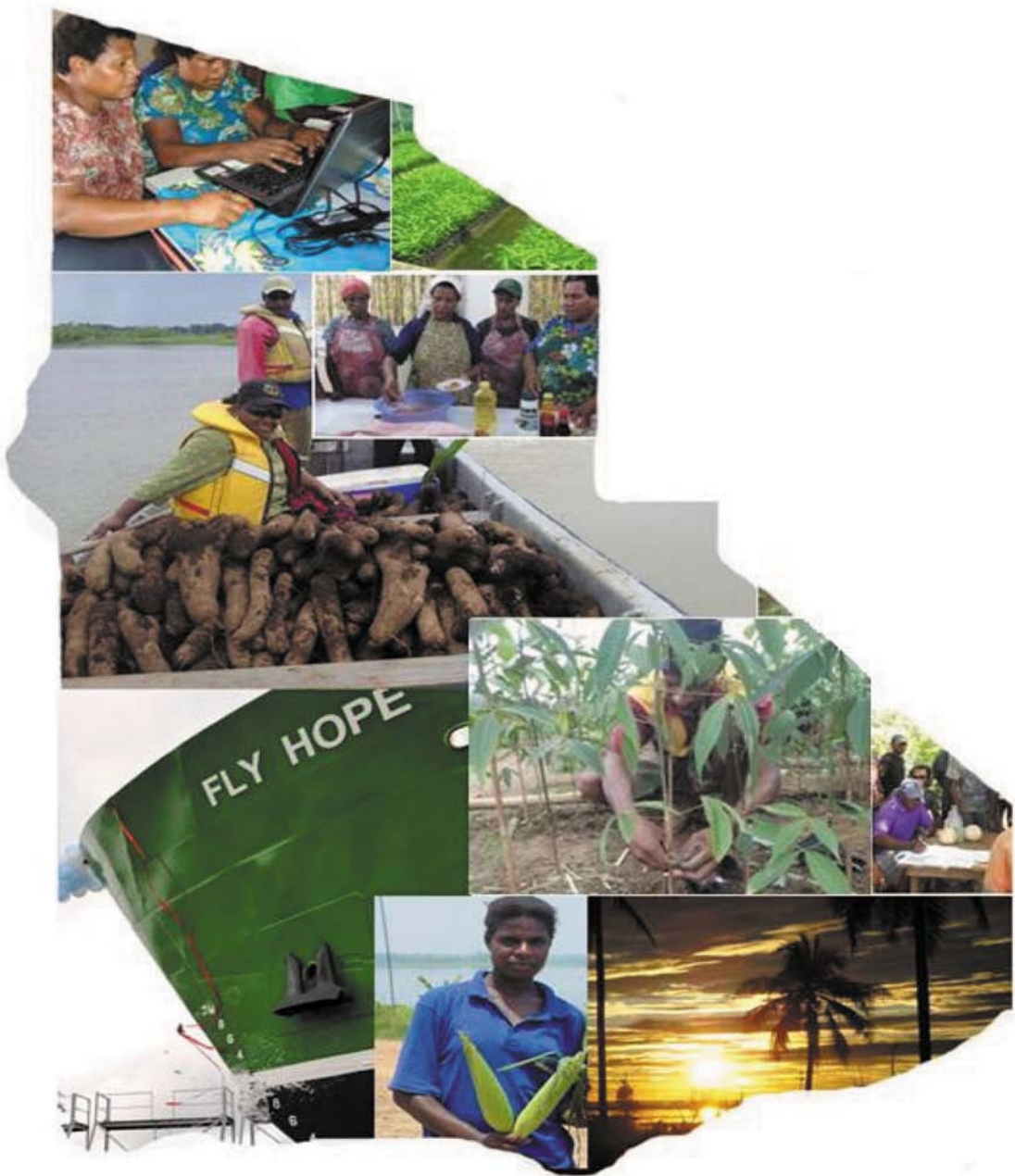




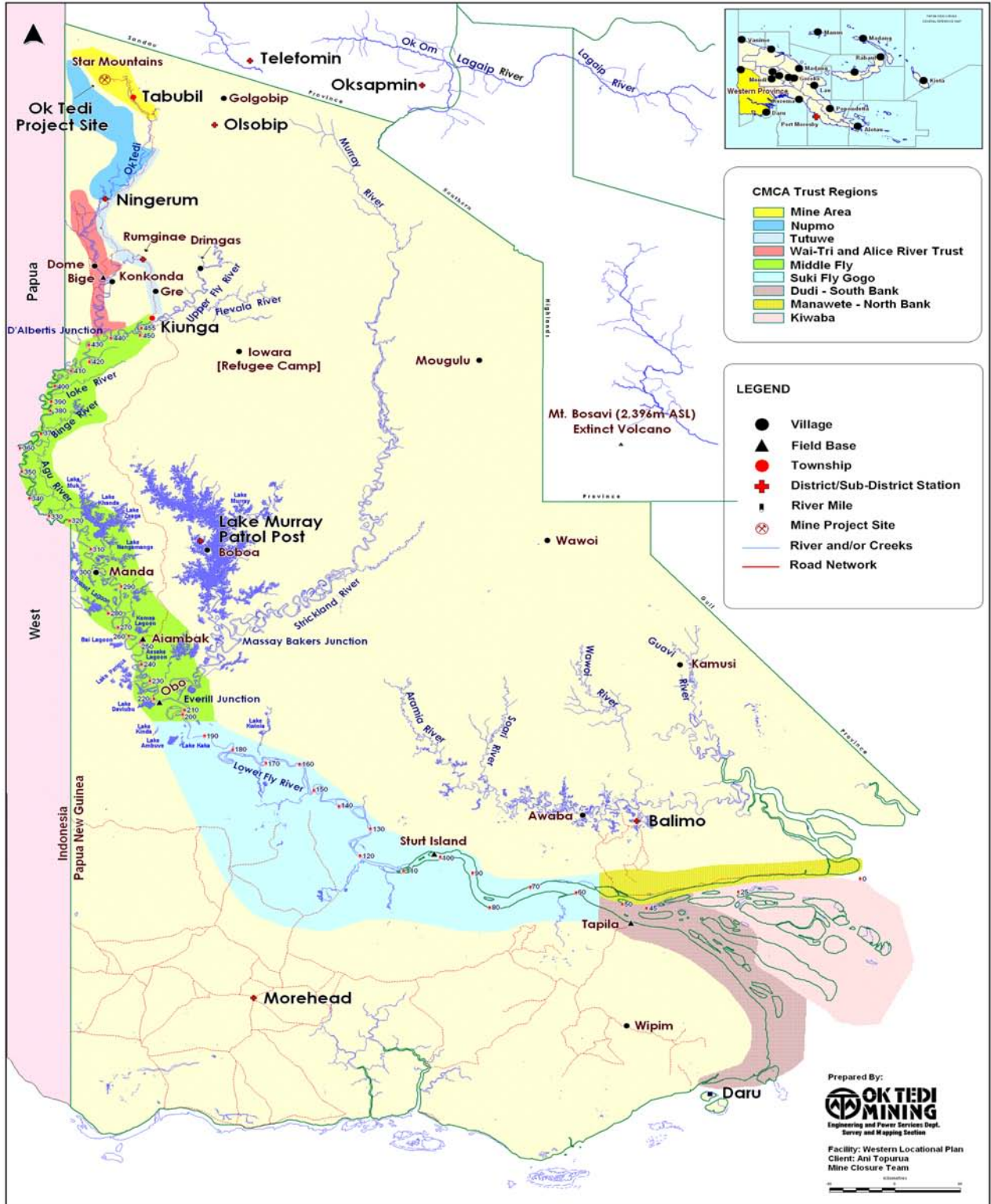
2011 Annual Report



Delivering with Innovation

MAP OF CMCA TRUST REGIONS

LOCATIONAL MAP: WESTERN PROVINCE



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OK TEDI DEVELOPMENT FOUNDATION HISTORY

" A Decade in Development"



2011

OTFRDP establishes a sound platform for delivering sustainable impact projects into the CMCA

2010

5 Year Business Plan sets out a new Strategic Direction through to 2015

2009

OTML appoints a Board, Advisory Committee and CEO to lead the new entity

2008

OTFRDP is formed as an independently operating entity to mobilize CMCA funds

2006/2007

Five year review of the CMCA's completed and a new package signed to extend mining operations to 2013

2001

BHP withdraws from the OTML mine and OTDF is conceived. PNGSDP is formed

2002

OTDF incorporated under the 9th Supplemental Mining Agreement as a not for profit Foundation



MESSAGE FROM THE CEO

The World Bank has recognised the OTDF model, particularly the support for Women & Children for delivering real change to mine impacted communities:

“Learning from OTDF as the overarching project implementation agency and the CMCA’s process is important in PNG as the government considers changes to law and policy to implement CMCA- style provisions such as direct benefits to women and children in extractive agreements across the country”.

Nick Menzies
Justice Reform Specialist
World Bank

The Communities have now accepted that OTDF is their delivery vehicle for sustainable development:

“Our good friend, the OTDF CEO must be thanked for listening to and now implementing the needs of the three regions”.

Narei Namaro
Mine Life Extension
Delegate
South Fly



Ian Middleton on the Fly River

Welcome ogeta to the first publicly distributed Annual Report for Ok Tedi Development Foundation (OTDF) presenting the highlights of 2011 operations.

A restructure in 2009 has enabled OTDF to operate independently of Ok Tedi Mining Limited (OTML). The Company established an ambitious portfolio of community orientated programs and projects for delivery to the Community Mine Continuation Agreement (CMCA) people whose lives have been impacted by mining operations.

Success at the village level requires a dedicated group of staff with the heart and determination to really make a difference; staff willing to engage with communities who are supported by the Board, Executive Management and a fully engaged Middle Management team. This support is underpinned by a strong and participatory Advisory Committee, equally representing all CMCA regions, setting the direction of the Company’s operations, and endorsing all major project developments.

I take this opportunity to sincerely thank every member of my staff and all those who have contributed to the growth of OTDF since its recent independence.

OTDF has only been able to set a solid platform for innovative project delivery through its acceptance by the CMCA village communities.

This acceptance has been accompanied by a shift in community attitudes towards OTDF as their delivery vehicle for more sustainable development projects and wise investments. This has been complemented by closer working ties with key stakeholders including the Fly River Provincial Government (FRPG), PNG Sustainable Development Program Limited (PNGSDP), OTML, technical development partners (Australian Centre for International Agricultural Research and the PNG National Agriculture Research Institute) and various donor agencies.

Throughout the following pages you will see a pictorial presentation of achievements, charts, facts and testimonials that reflect the positive changes emerging throughout the CMCA corridor. You will read and see progress on seven major investment projects including the much anticipated arrival of the passenger vessel, Fly Hope, major impact project developments including roads, bridges and a commitment to health & education as well as a growing list of sustainable development projects with PNGSDP and our respective trusts.

Amongst my most enjoyable memories in 2011 was the opportunity to accompany teachers and their families from the Trinity Anglican School (TAS) in Cairns to the Kuem (Middle Fly) and Nakaku (South Fly) Primary schools, to witness their tears, the solidarity of those communities and the dire need for support which culminated in the TAS Board adopting Kuem Primary School.

The 2011 Annual Report demonstrates the cooperation of all parties to place OTDF on the cusp of a year of unrivalled delivery and quantifiable differences to the livelihood of our more than 100,000 impacted people.

Chief Executive Officer



VISION, MISSION & PRINCIPLES OF STRATEGIC ENGAGEMENT

Our Vision

To ensure self sustainability and improve the quality of life of all Western Province communities

Our Mission

Committed to best practice and wise use of funds and programs with emphasis on accountability, transparency, performance and equal participation in order to realise the development aspirations of impacted communities

Principles of Strategic Engagement

- Effective management and implementation of regional development programs
- Strengthening partnership and involvement with stakeholders
- Open and transparent communications
- Prudent financial and operational systems management and accountability



North Fly ladies learn how to sew clothes



Clinical Nurse, Heather Gitschier reviews a baby in a remote South Fly village



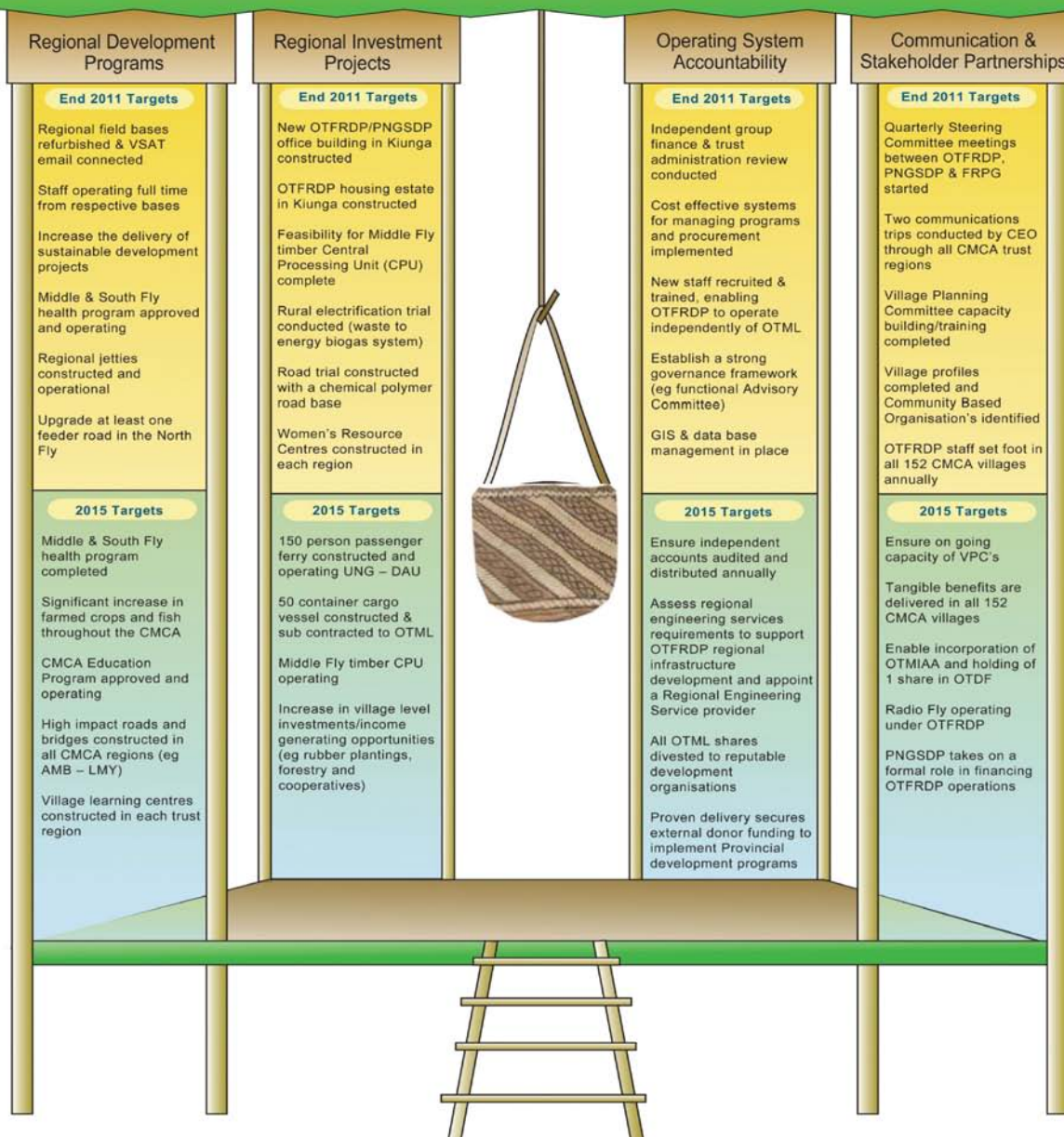
DEVELOPMENT VALUES AND TARGETS 2011

OUR VISION, OUR VALUES

Delivering with Innovation

VISION: To ensure self sustainability and improve the quality of life of all Western Province communities

MISSION: Committed to best practice and wise management of funds and programs with emphasis on accountability, transparency, performance and equal participation in order to realise the development aspirations of impacted communities



SAFETY PERFORMANCE AND STAFF RETENTION

Safety

OTDF has adopted the strong safety culture of Ok Tedi Mining Limited (OTML), including giving the highest priority to zero harm to every member of staff.

Safety is everybody's business and ties directly to the Company's one golden rule of 'Greater Cooperation'. Safety policies and principles have been modified from existing OTML templates to suit the diverse environmental conditions and community based operating environment of the Company.

Safety and security outcomes have been improved through investments in field base infrastructure, Via Satellite (VSAT) email systems and new outboard motors, dinghies and vehicles. These facilities assist with communications on safety and security matters and enable staff to move around the regions using reliable equipment and vessels.

With staff spending more time living in and operating out of the respective field bases Management has written a Field Base Safety Policy specifically to ensure staff and assets are appropriately protected within the field environment.

To reinforce commitment to the written policy, OTDF conducts a variety of regular safety communications across the Divisions in both Tabubil and Kiunga. These include daily prestart safety talks, fortnightly safety kibungs and monthly safe days. All safety incidents are recorded and reported.

2011 Safety Incident Table

Incident Type	Minor	Significant
Body injuries	1	1
Light vehicle incidents	5	2
Alcohol incidents		1
Outboard motor	1	
Community related	2	1
Total Incidents	9	5

Safe days in 2011 incorporated presentations on occupational health & safety which included light vehicle driving awareness, improving dietary habits, the dangers of smoking and HIV & AIDS, cholera and tuberculosis prevention.

The most significant breach of safety and Company policy in 2011 was a light vehicle roll over on the highway. This was a stark reminder to all that this highway is very different to any other, with many hazards that include heavy vehicular traffic, flooding, land slips, loose gravel and dense fog. Thankfully all passengers in the vehicle had followed the OTDF policy of wearing seatbelts and sustained only minor injuries.

Staff Retention and Community Acceptance

OTDF plays a very unique role with a development delivery obligation to mine impacted communities. An ongoing risk is securing suitably qualified people and retaining them. To achieve this, staff dedicated to community development and an understanding of tribal/landowner issues throughout the varying trust regions are invaluable to the entity. OTDF has recruited a balance of former OTML and newly contracted staff who are keen to be part of our new business direction. Staff performance is now tied to quarterly activity plans; and to ensure retention, staff are offered competitive remuneration packages that include longer leave, performance bonuses, housing, insurance, school fee payments and a cooperative, safe working environment.

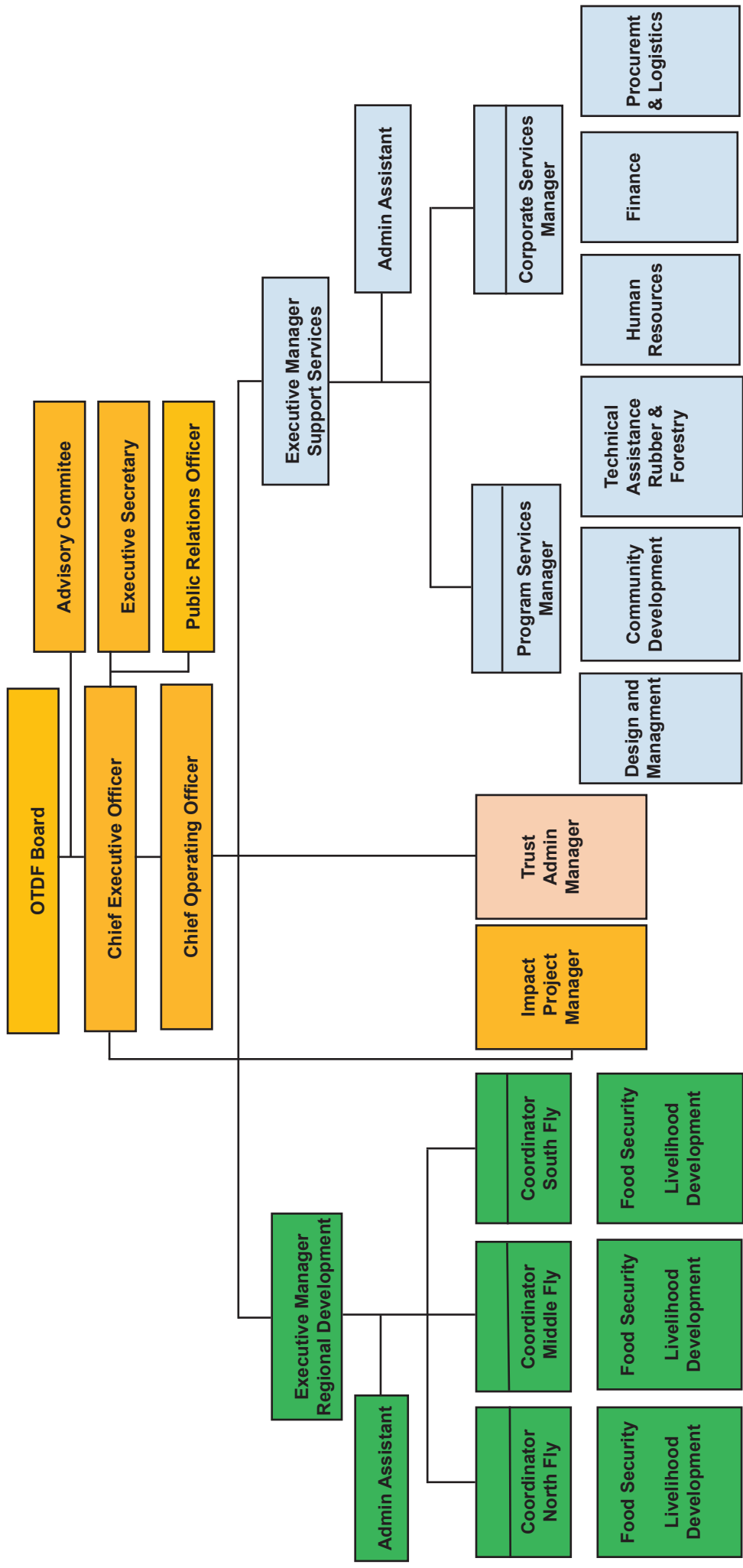
Staff retention is an on going concern that needs to be regularly reviewed to ensure OTDF remains competitive as the booming resource sector of PNG rolls into implementation and the demand for Community Relations and Regional & Community Development workers grows.

As identified in the Company's Business Plan the CEO has formed a high level Risk Assessment Committee chaired by the Executive Manager Support Services. The most significant risk identified in 2010 was community acceptance of OTDF as their development delivery vehicle. A range of strategies were put in place to mitigate this risk, and by the end of 2011 the Risk Assessment Committee had downgraded this risk to low.

Community acceptance is fundamental to the future of the Company.



OK TEDI DEVELOPMENT FOUNDATION: ORGANISATION STRUCTURE



2011 AT A GLANCE

- A community based governance process with an active Advisory Committee and knowledgeable Associate Directors making informed decisions on OTDF's strategic directions and all major development projects
- Strong 31 person regional and community development teams operating from permanent field bases to deliver village level projects
- 156 Village Profiles prepared as baseline data for planning and implementation
- Improved engagement with key stakeholders: OTML, National Government, Fly River Provincial Government (FRPG) and PNG Sustainable Development Program Limited (PNGSDP)
- Funds mobilised from PNGSDP for 16 projects totalling K40 million endorsed by the Advisory Committee
- K3.22 million feasibility funding accessed from the CMCA's 5% portion of the Western Province People's Dividend Trust Fund for 7 OTDF Board-endorsed development projects valued at over K160 million
- The CMCA Trust Investment Fund is fully committed with 7 projects in a diversified K 90 million portfolio comprising buildings, aviation and shipping
- A consolidated Provincial Project Matrix prepared as a development project guide for OTDF, FRPG and PNGSDP planning and implementation
- 240,000 points of rubber grown in 3 OTDF regional nurseries for distribution to village farmers for income-generation projects
- Innovative biogas installation at Samagos Field Base converting human and agricultural waste into gas for cooking, lighting and hot water

BOARD AND ADVISORY COMMITTEE



Musje Werror

Ok Tedi Development Foundation (OTDF) has enjoyed a successful 2011 despite the many challenges that were faced especially in building trust from the mine impacted communities while at the same time establishing itself as a stand-alone entity operating at arm's length from Ok Tedi Mining Limited (OTML).

I am proud to say that the efforts and commitment by the OTDF team with support from OTML and PNG Sustainable Development Program Limited (PNGSDP), are starting to build a genuine partnership through a shared purpose with the mine affected communities and the Fly River Provincial Government (FRPG).

Through the leadership of the CEO, Ian Middleton and his Executive Team, we are now beginning to realise the true meaning of sustainable development; and how it makes a tangible difference to the lives of the people impacted by the Ok Tedi mine, fulfilling their hopes and dreams for the future.

OTDF is a 75% subsidiary of OTML with PNGSDP holding the remaining 25% shareholding. The Board's composition includes a PNGSDP Director, two OTML Directors and the Secretary of the Department of Mineral Policy and Geo-Hazard Management (DMPGM) as the fourth Director. The different experiences and occupations of the Directors have enabled the Board to make key decisions and provide the necessary support to the OTDF Management team to deliver in 2011.

Some of the key decisions include the support for the new OTDF structure to accommodate the Tax Credit Scheme function transferred from the OTML Regional Engineering Department; and the additional positions in the organisation to ensure OTDF can continue to deliver effectively with the added responsibility and a growing budget to fund 2012 activities and programmes.

At the end of 2011, two changes to the Board were made with Mr Nigel Parker, OTML Managing Director and CEO replacing Mr Leonard Lagisa as Director and assuming the Chairmanship role. Further changes to the OTDF Board are also anticipated in the future when OTML transfers its three shares to other reputable development organisations as required under the Ok Tedi legislative agreement.

The achievements outlined in this report would not have been possible without the governance framework in place that ensures the active participation of communities through the Advisory Committee that is made up of mine affected community representatives from each region and four Associate Directors on the OTDF Board. The governance model that has been adopted by OTDF is premised on the bottom up approach which has resulted in significant outcomes from projects delivered to the mine affected communities in 2011.

Four Advisory Committee meetings were held in 2011. These meetings are held before the OTDF Board meetings so that key issues and ideas raised by the committee are tabled before the Board for deliberation.

OTDF and OTML are also working closely with the mine affected communities to incorporate their association called the Ok Tedi Mine Impacted Area Association (OTMIAA) in 2012 with the intention that OTMIAA will eventually hold one share in OTDF.

I acknowledge the contributions of the following stakeholders whose support made 2011 a successful year: OTDF Board; OTML; PNGSDP; the Government of PNG; Fly River Provincial Government; and the mine affected communities. I also commend the tireless work and efforts of the OTDF CEO and his management team and all the staff of OTDF.

Many challenges remain ahead however I am confident that OTDF stands more than ready to continue delivering real development outcomes to the mine affected communities and the rest of the Western Province.

OTDF Board Chairman



PRINCIPAL DEVELOPMENT FUNDING PARTNERS

The State: Western Province People's Dividend Trust Fund

The Western Province People's Dividend Trust Fund (WPPDTF) held by the State under the Mining [Ok Tedi Mine Continuation (Ninth Supplemental) Agreement] Act 2001 is the largest available source of development funds for projects to be implemented by OTDF.

In 2007 the National Executive Council agreed to split the 10% fund and grant five percent of the equity to the CMCA's. The aim was to establish a balance with communities between the benefits and the impacts of the mine. The State ensured the funds which are in excess of K320 million (as of December 2011) were securely held in trust.

The State agreed with the CMCA's that an instrument to gain access to the funds would be developed once OTDF was fully functioning in its role of delivering projects to communities. After 12 months of discussions, Board members and the CEO successfully negotiated access arrangements. The Honourable John Pundari, then Minister for Mines, signed off on the process on the 25th October 2010.

OTDF prepared seven feasibility study proposals selected by the Advisory Committee and approved by the Board. The proposals were for: Pampenai road rehabilitation (North Fly), Aiambak to Lake Murray road rehabilitation (Middle Fly); Ningerum foot bridge (North Fly); Middle and South Fly health; Village relocation in the South Fly delta; and a Passenger ferry for the Fly River.

These were submitted to the Department of Mineral Policy and Geohazard Management. Secretary Nellie James worked tirelessly with the Board and Minister to eventually secure a cheque for K3.22 million which was presented to the CEO on the 26th July 2011.

OTDF immediately commenced a national open tender process for the feasibility studies and by the end of 2011 the following four companies had been contracted to conduct the seven feasibility studies commencing in January 2012: JTA International (health), URS Australia (roads and bridges), Cardno (South Fly relocation) and CDV Solutions (passenger vessel).



Secretary Nellie James presents the WPPDTF cheque to CEO Ian Middleton while Board members Nigel Parker and Musje Werror look on

PNG Sustainable Development Program

Under the 2007 CMCA Agreement PNGSDP, as the major shareholder of OTML committed K21.5 million or 2.5% of dividends per annum (whichever is greater) to sustainable development projects throughout the impact corridor. These projects can be conceived by any individual or organisation but must be implemented by OTDF. By the end of 2011 both the PNGSDP and OTDF Boards agreed that K42,493,708 in funding was available up to and including 2011.

In 2011 the Advisory Committee approved 16 new projects for investigation including a west bank jetty in the South Fly delta, a deer and fish processing facility at Aiambak, ferry terminals, police housing and rural police posts at Aiambak and Sturt Island, regional feeder vessels, agricultural value adding, a youth development program and regional water supply.

PNGSDP is not just a funder but a key development partner with OTDF in Western Province. PNGSDP has a mandate to deliver sustainable development projects nationwide with a specific focus on Western Province, while OTDF has a similar mandate specific to the CMCA. There are plans to further cement this relationship through close working ties on Women & Children's projects, forestry projects, sharing space in the new OTDF Office complex in Kiunga and double branding with OTDF delivering community based projects to the mine impacted communities and beyond.



TRUST ADMINISTRATION

TARGET

1. All quarterly Trust Meetings for the eight CMCA Trusts conducted
2. Election and appointment of local Trustees is consistent with the Trust Deed & Revised MOA 2006/07
3. Conduct training for all newly appointed Trustees
4. Transition to OTDF of trust accounting functions previously performed by external accountants
5. Transfer of CMCA education assistance functions from OTML

ACTUAL

1. 32 Trust meetings conducted (8 per quarter)
2. 40 local trustees elected (24 men & 16 women of whom 8 represent women and children)
3. "Fit & Proper Persons Training" conducted
4. Trust accountant recruited, all Trust accounting data transferred onto OTDF QuickBooks software
5. OTML officer trained and contracted to the newly created OTDF position in preparation for transfer of the CMCA Education function in 2012

"Trustees with OTDF support staff visited one of the many coffee processing plants at Goroka, in the Eastern Highlands Province.

The trustees were hosted by former OTDF staff member Ian Mopafi who is now a successful coffee buyer."

Renagi Koiro
Trust Administrator

Trust Administration

The Administration of the 8 CMCA Trusts is undertaken within the legal framework of the CMCA Trust Deeds which must be consistently applied in all decisions. The Trust Administrator organised quarterly trust meetings for Nupmo, Tutuwe, Wai Tri Middle Fly River, Suki Fly Gogo, Manawete, Kiwaba, Dudi Trusts in February, May, August and November. This equated to 32 Trust meetings during 2011.

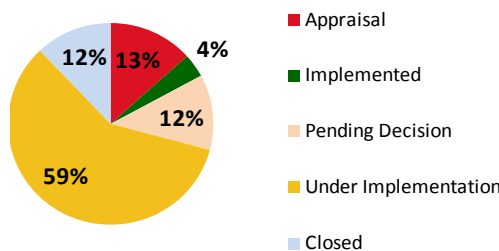
Special meetings were convened in 2011 to consider extraordinary agenda items which needed immediate consideration from the relevant Board of Trustees. Most significant of all was the task of reviving Flood Plains Merchandising Limited to a comfortable trading position.

In accordance with established policy two of the eight trusts travelled out of Western Province for trust meetings in 2011. Suki Fly Gogo and Manawete Trusts travelled to Kimbe to look at oil palm plantations and processing plants while Dudi and Kiwaba travelled to Goroka to visit appropriate technologies projects that could be beneficial in their communities.

Appointment of Local Trustees

Consistent with the Revised CMCA MOA of 2006/2007, the nomination and election of new local Trustees was conducted in the respective regions. Established guidelines were followed and as a result the process was successfully concluded. A total of 40 local trustees were elected comprising 24 men and 16 women.

Trust Project Status



Trustees Training

The "Fit & Proper Persons Training" for the newly appointed Trustees was successfully completed in December at Kiunga. The training enables Trustees to understand and read financial statements, understand the code of conduct in their roles and responsibilities, understanding the project cycle and purpose of various expenditure guidelines and most importantly a general overview of the Trust Deed.



Mr Mitely Kalipa (right) from Suki Fly Gogo Trust receiving his certificate from Trust Administrator, Renagi Koiro upon completion of Trustees Training

Education Assistance

The CMCA education assistance function in the past was managed through the OTML Community Education and Training team. From January 2012, the Education function will transfer to the OTDF Trust Administration team. An OTML officer has been trained and since contracted to the newly created education position within OTDF.

Trust Accounting

A near K500,000 saving was achieved in 2011 when the Trust Administration team took over the Trust accounting function from Deloitte Touche Tohmatsu. A trust accountant was recruited and all accounting data was transferred onto the OTDF Trust QuickBooks accounting software package. The trust accounting function is now successfully operating in-house.



TRUST DEVELOPMENT PROJECTS

Each quarter, during the trust meetings, various projects ranging from off-the-shelf items (sewing machines and water tanks) to major impact projects are approved for funding.

Some of the impact development projects currently under implementation include:

- Water Supply
- Education
- Food Security
- Rubber Development
- Fishing
- Village Housing
- Public Motor Vehicle Services
- River Transport

Each of the Trust Deeds is explicit in its powers as to the extent of applying village development funds for the purposes of improving the livelihood and lifestyle of the impacted communities. The Trust Administrator and the respective Boards of Trustees ensure that the development funds are used for those intended purposes. Funds must not benefit individuals.



CMCA Dinghies being delivered to Buria Village, Kiwaba Trust Region, South Fly

Some of the major community impact projects approved for implementation during the year included:-

Middle and South Fly Water Supply

Rising sea levels have resulted in contamination of water wells in the Lower South Fly delta and poor water quality in the wells across the Upper South Fly and Middle Fly regions. The communities have opted for water tanks with catchments as an alternative water source. A village survey was conducted and communities agreed to the installation of 6 water tanks with catchments in every village of Dudi, Kiwaba and Manawete with consideration for both bore wells and catchments in Suki Fly due to higher land elevation. After successfully securing K15m in counterpart funding with PNGSDP and WASH (AusAID funded Water Sanitation & Health program), the project is ready for implementation.

Rubber Development Program

Originating from the North Fly, rubber development has gradually expanded into both the Middle and South Fly regions. The CMCA Trusts commitment to rubber has resulted in the allocation of more than K750,000 for development programs throughout the respective regions. Many communities now believe that growing and tapping rubber will be the most sustainable income earning cash crop after mine closure. Rubber nurseries are likely to dramatically expand with increased funding assistance from various CMCA Trusts.

Community Housing Projects

Housing continues to be the priority agenda item for all eight CMCA Trusts. The basic necessity of a family having a 'roof over their head' continues to be a major expenditure item. The Trusts fund the establishment of mini sawmill operations to enable communities to take ownership of cost effective housing. Most of the 156 CMCA villages are accessing their village development funds to build better homes.

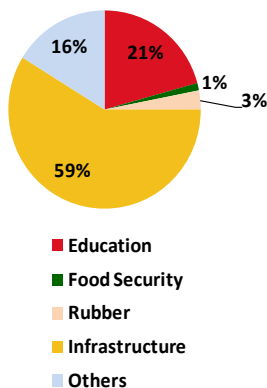
River Transport

Given parts of Wai Tri and the whole of Middle and South Fly rely entirely on the river system as a means of accessibility, millions of kina were formerly spent buying outboard motors and dinghies for these communities. From 2011 the focus has shifted to utilisation of fibreglass canoes linking to a commercial ferry service to enable cost effective transport linkages and trading that will benefit entire communities.

Business Opportunities

As a means of generating real returns after mine closure a number of business opportunities including real estate properties, Public Motor Vehicle operations and retail outlets have been purchased across all regions.

Project Funding by Sector



TARGET

1. Trusts to pool their K90 million in investment funds to enable high value, high return investments
2. Acquire a balanced low risk portfolio estimated to return 8% annually

ACTUAL

1. All 8 CMCA Trusts formally agree to pool their Trust Investment funds
2. Investment projects identified, due diligence conducted and Companies awarded contracts for:
 - OTDF Office Complex and Housing Estate in Kiunga (scheduled for completion October 2012)
 - Three custom built vessels: Ferry (Fly Hope scheduled to arrive March 2012); Cargo & bulk fuel carrier (Fly Warrior scheduled to arrive November 2012) and; CR / Environment Vessel (Fly Explorer scheduled to arrive June 2012)
 - Two series 400 Twin Otter aircraft manufactured by Viking in Canada (scheduled to arrive July 2012)

BASELINE

Trust Investment funds have been deteriorating in value earning less than the rate of inflation in low interest earning IBD's



First CMCA 400 Series Twin Otter aircraft inspection at the Viking Factory, Canada

TRUST INVESTMENT PROJECTS

As part of the 2001 CMCA compensation package each Trust was able to dedicate approximately 10% of funds to Investment Projects. The guidelines require the Trust Administrator to conduct appropriate due diligence. This ensures proposed investments are sound and appreciate in value through to mine closure at which point any remaining funds reverts to the funding of development projects. Prior to July 2009 these investments were being held in bank Interest Bearing Deposit accounts and public bonds. Investments were earning less than the country's annual inflation rate resulting in negative returns on investments.

In 2010 the CEO and the Trust Administrator recommended that Trusts diversify their investment portfolio and developed three key guidelines:

- 1) Deliver a greater return than the rate of inflation and or bank IBD rates
- 2) Be highly visible in Western Province
- 3) Support in some way the actual development of the CMCA people

In 2011 construction contracts were signed for six investment projects that were approved by the Advisory Committee, Trusts and the OTDF Board. All are considered low risk investments and meet the relevant Trust guidelines. These investments represent a balanced portfolio worth K90 million that includes shipping, aviation and buildings. With the exception of the passenger vessel, all investments will be tied to life of mine contracts with OTML guaranteeing an 8% annual rate of return.

Shipping

MV Fly Hope is a 34 metre custom built 150-passenger ferry with dry and freezer cargo space. She will run a regular service between Kiunga and

Daru calling at regional jetties along the route.

MV Fly Warrior is a 65 metre cargo and bulk fuel carrier which will operate between Port Moresby and Kiunga servicing OTML mining operations.

MV Fly Explorer is a shallow draft 30 metre vessel purpose built to meet the riverine monitoring needs of the OTML Environment Department.



MV Fly Hope during sea trials in Malaysia

Aviation

In 2011, OTDF placed an order for two brand new series 400 Twin Otter aircraft to operate from Tabubil. One will expand OTML's aviation services to five regional airstrips in the North Fly and Telefomin district which were upgraded with funding from PNGSDP; and the other will increase OTML's current capacity for down-river air services.

Buildings

In 2009 the CEO recommended that an independent OTDF should move its headquarters from Tabubil to Kiunga. This enables OTDF to be closer to impacted communities, share space with PNGSDP and operate alongside the Fly River Provincial Government's North Fly headquarters. The office complex will accommodate 80 staff while the housing estate includes 12 self contained units and 7 houses.



REGIONAL DEVELOPMENT OVERVIEW

The Regional Development Division commenced independent operations in 2010 with nine senior staff from the former OTML Implementation Department whose numbers were then augmented by the recruitment of fourteen new staff members. All have worked well together to gain wider acceptance by the CMCA communities. The highlights outlined in the following pages are attributed to the commitment of these officers now living in and working from all regional field bases.



OTDF farm assistants distributing Australorps to Government officers for poultry extension

At the beginning of 2011 the field bases were not fully equipped for staff to relocate; there was limited communications infrastructure in place to support operations or community needs; and communities harboured doubts about OTDF's ability to interact with them and deliver. There was also limited access to urban centres through transportation infrastructure such as jetties, roads and bridges. As identified in the 2009 Women and Children's Action Plans, CMCA communities are characterised by low literacy levels and limited or no access to basic health services. To meet these challenges the Regional Development Division put in place a strategic road map with specific goals and targets through the 2010 - 2015 Regional Action Plans that are consistent with the OTDF Business Plan. This has resulted in the following 2011 achievements.

Field Bases Refurbished

All houses have been fully refurbished for staff to relocate closer to communities. The North Fly bases incorporate Samagos and Tabubil, the Middle Fly bases are at Aiambak and Obo and the South Fly bases are at Sturt Island, Tapila and Nakaku. VSAT systems were set up at Aiambak and Sturt Island enabling officers to readily communicate with Tabubil and Kiunga. Of their 8 week duty cycle officers now spend a minimum 6 weeks in the Field Bases.

Food Security and Livelihoods

As increased productivity and capacity building is the primary focus of Regional Development the aims are to: 1) Introduce alternative crops to sago, as the staple diet in the impacted communities; 2) Introduce drought tolerant and higher yielding crops; 3) Facilitate the transition from household farming to semi-commercial production levels for crops, fisheries and livestock; 4) Facilitate capacity building and; 5) Promote non mining related activities that can generate income for the communities including commercial rubber and eaglewood production. All regions have established nurseries and Seed Multiplication and Distribution Centres to support these aims.

CMCA Related Community Institutions

OTDF provides ongoing support to Village Planning Committees, Trusts, various women's networks and other community institutions. Through 2011 the focus was to build capacity and facilitate the quarterly Village Planning Committee meetings to disseminate Company, Trust and stakeholder information. This enabled officers to engage with communities and identify priorities.

Health and Education

The strategy in 2011 was to investigate if coverage of elementary schools and aid posts was adequate for the fast growing, younger generation. An important first step was to collect baseline information about the facilities and their condition as part of the wider Village Profiling program. Availability of consolidated village-level data will enable teams to work with Local Level Governments and development partners to provide more targeted assistance in the provision of health and education services.

Large Scale Infrastructure Projects

Field teams provided on the ground community awareness, accommodation and logistic support for contractors and OTDF program staff in support of jetty construction and the WPPDTF impact project pre-feasibility studies.

Communications

Village Profiling in 2011 established baseline information used to prioritise VHF radio system needs in remote and inaccessible villages. Radio communications are complemented by the PNGSDP funded communication towers and Digicel mobile network.



TARGET

Increase the number of model farmers and their incomes in the villages of North Fly District

ACTUAL

Total of 10 new farmers in 10 villages (7 fish farmers and 3 agriculture farmers)



Model fish farmer at Km 95



Model agriculture farmer with TL Mine Villages, Miape Baupupu (left) at Tope village

BASELINE**1. 2010 OTDF data:**

Total of 10 model farmers

2. 2011 OTDF Village Profile Data:

Average household income from agricultural production K700/year

3. 2011 OTML CMCA Data:

Average household income from CMCA cash payments K852/ year

REGIONAL DEVELOPMENT NORTH FLY

The North Fly region serves 4 tribes, 68 villages and a population over 25,000 being serviced by 17 staff. North Fly communities continue to depend on compensation payments although they have comparatively more income earning opportunities created by the mine and better access (Tabubil to Kiunga highway) to markets than their Middle and South Fly counterparts. As consistent with all regions, food security is paramount but also improved housing, rubber development, facilitating capacity building and delivering on transport infrastructure.

Food Security

The North Fly team recognised through Village Profiling interviews that protein is lacking in the people's diet throughout most parts of the region. Consequently the team conducted four training sessions on inland fish farming to 113 farmers as a source of food and cash generation (primarily trout & tilapia).



Kavorabip fish farmer with his trout harvest

A new inland aquaculture production model has been developed to address the constraints of fingerling supply (supporting Provincial Fisheries to complete the Samagos freshwater hatchery) and feed production (farmer training includes making pelletised feed from locally available ingredients). Two fish farmers have been supported to become exclusive fish breeders to then supply fingerlings to all grow out farmers in the region. In 2011 a total of 70,000 fingerlings were grown out

and sold as table sized fish (20-30 cm) to the general public. The price of fish sold ranges from K5 - K10 per fish. Calculation of costs and the net profit earned by the respective farmers will be formulated in 2012 as baseline data for future planning and farmer expansion.

With a mountainous landscape characterised by steep valleys, dense forest and high rainfall many parts of the North Fly are not suitable for agriculture. It is only the narrow higher altitude floodplains and lower reaches around Bige and Kiunga that can support stands of sago and agriculture. The people's staple diet is sago starch however increasing demand from a growing population (between 2 and 3% per annum) is depleting the wild stands of sago.



Sago seedlings in the nursery at Bige Field Base

Planting sago to counter the impact of die back caused by flooding and sediment deposits in the Ok Tedi River is also an obligation of the CMCA Agreement. To address this obligation the North Fly team has collected sago seeds from North Solomons Province and germinated them in a purpose built nursery at Bige. Land has been cleared to plant out a one hectare demonstration plot from which seedlings will be distributed to communities in 2012.

Improving and expanding the Samagos agriculture centre has enabled the growing and distribution of fish feed, eaglewood, vegetables and root crops to model farmers.



TARGET

- Housing:** 100 families in 10 villages
- Skills Training:** Project proposal and report writing skills course for VPC Chairmen
- Rubber:** 70 hectares of rubber planted

ACTUAL

- Housing:** More than 300 families in 20 villages benefited from housing projects ranging from basic housing materials to full kit homes
- Skills Training:** Project Identification, Project Proposal Writing Skills and Management for all 18 VPC committee members of Nupmo Trust
- Rubber:** 35 hectares (50% of target) of rubber planted. Remaining planting materials are still in the process of budding



Rubber Nursery at Kungim

BASELINE

- Housing:** More than 5,000 families in need of housing in the North Fly (Source: 2011 OTDF Village Profiles)
- Skills Training:** Limited VPC capacity to develop suitable project proposals for CMCA and external project funding
- Rubber:** No baseline exists for the CMCA's - OTDF took the initiative to commence Rubber development in early 2011

REGIONAL DEVELOPMENT NORTH FLY

Housing Infrastructure

The North Fly Regional Trusts priorities include housing infrastructure and sustainable economic development. Permanent houses are needed to replace those constructed using wild sago leaves to enable connectivity to electricity and improve living standards. The PNGSDP subsidiary Company, Western Power Ltd is supplying electricity to rural villages across the North Fly. By the end of 2011 the construction of 82 houses had been facilitated by the North Fly team in 6 villages.



One of four houses erected in Ieran village

Rubber

Supported by the North Fly Rubber Ltd factory and smallholder farmer extension, rubber is the only commercial cash crop in the region. The North Fly Team works closely with the OTDF Regional Rubber Officer to promote and implement sustainable rubber programs.

The long term target is for every family living in suitable rubber growing areas of the North Fly to have a one to four hectare rubber block that will provide enough income to support those families' livelihood after mine closure. With funding from the Waitri Trust, one hectare of land was cleared at Kungim Village to establish a viable rubber nursery. Hybrid rubber clones were budded to local plant stocks and over 21,300 points distributed to village farmers by year end. A one hectare source bush nursery was also established to grow planting material for future bud sticks.

Skills Training Program

Building the capacity of the communities is of paramount importance to OTDF. It is vitally important to transfer necessary skills and knowledge so that they can make informed decisions for their own well being and the future of the region and Province as a whole. In April 2011 the North Fly team engaged a National Development Strategy consultant to conduct training on Project Identification, Project Proposal Writing Skills and Management for all 18 VPC committee members of the Nupmo Trust. These VPC Chairmen now have the skills to write good quality project proposals and cut down on the project cycle turn around time. Chairmen can now write and submit funding proposals to external donors for community projects.

The North Fly team has also worked closely with Community Development officers to deliver life skills training to 300 women in 18 villages across the North Fly and the 6 Mine villages.



Belden Dasa (left) hands out certificates at the Nupmo VPC leaders graduation

Transport Infrastructure

The North Fly people have been asking for feeder road rehabilitation and foot bridge construction to link to the highway for many years. This need was also identified as Goal 3 of the Women & Children's Action Plans. The Pampanai Nongire rubber road and Nupmo foot bridge were selected by the Advisory Committee as priority impact projects to be funded by the WPPDTF and pre-feasibility studies were supported.



TARGET

Increase the number of model farmers and their income earning ability in all 18 villages noting that most of the baseline farmers were no longer active

ACTUAL

Total of 11 new model farmers in 10 villages

BASELINE**1. Number of Farmers:**

2007: 24 model farmers (18 male and 6 female) in 11 villages (Source: Survey of Subsistence Farmers in Lower and Central Middle Fly Region: Assessment on Performance of Food Security Program, OTML 2007)

2. Household Income:

Average household income from agricultural production K 60/month (Source: 2011 Village Profile)



Dryland rice plot at Mipan Village

“Before the introduction of the food security program I spent a lot of my time gathering and hunting for food. I am now maintaining a quarter of a hectare of rice, yam plot, taro plot, with other food crops. I am also encouraging other villagers to do the same by supplying planting materials.”



Lucas Cletus
Model Farmer, Mipan Village

REGIONAL DEVELOPMENT MIDDLE FLY

The Middle fly Region has 5 tribes, 19 villages, and a population of near 20,000 to serve within a single trust. The Middle Fly teams' primary goal is to enable community stakeholders to make realistic livelihood decisions through regional food security and economic development programs.

Gathering and hunting has been the way of life for the Middle Fly people with little or no income earning opportunities. Sago has been their staple food, grows in the wild and fits well with their nomadic life style. A Food Security Program was initiated by OTML in 2000 with up to 30 farmers participating. However, an assessment survey conducted in 2007 showed that farmers were struggling, and required more sustained technical advice to assist them in making the transition to a more settled gardening lifestyle aimed at improved food security. The survey also revealed that access to a wider variety of drought tolerant planting materials was essential.

Food Security

The Middle Fly team promotes the improvement of food security and economic development through more frequent village visits. Officers conduct awareness on the importance of the three food groups and balanced diets, and distributed drought tolerant food crops (African yams & cassava) sourced from plant material released by the National Agricultural Research Institute (NARI).



African Yams from Mipan Village bound for Kiunga market

Livelihood and Economic Development

By encouraging increased food production for their household, families will be better prepared for trading and earning an income that will eventually replace current compensation payments after mine closure. With OTDF support, in 2011 alone, one farmer sold over one tonne of yams for K1,600 in Kiunga. He is growing, milling and eating his own rice and has further diversified into the wild harvest and marketing of tilapia. To further strengthen economic development, model farmers have been encouraged to increase volumes produced, enabling access to markets in Kiunga once the ferry begins operation in early 2012.



Locally grown rice being sun-dried at Mipan village

Lucas Cletus: Model Farmer

Lucas Cletus from Mipan village is an outstanding farmer and a shining example in the region. Lucas has taken the lead in growing high yielding introduced crops such as African yam, NARI taro and NARI rice. Lucas has been a model farmer for a number of years. He acquired these skills through OTDF village-based practical training and an exposure trip outside of Western Province.

Lucas now works closely with other interested farmers through extension, supplying planting materials, is working closely with the Middle Fly team to form a cooperative and is driving semi commercial productivity for agriculture and fisheries throughout the 18 Middle Fly villages.



REGIONAL DEVELOPMENT MIDDLE FLY

TARGET

1. Village Planning Committee (VPC) capacity building training
2. Conduct 4 VPC Meetings
3. Assist 4 Trust meetings
4. Conduct election of VPC
5. Conduct Village Profiles

ACTUAL

1. Conducted VPC capacity building training
2. Conducted 4 VPC Meetings
3. Assisted 4 Trust meetings
4. Conducted VPC elections in 12 of 18 villages
5. Completed 18 village profiles

BASELINE

1. Lack of consistent performance monitoring and capacity building of VPCs since 2006
2. Lack of regular village visits by the regional teams during project nomination and design
3. VPC roles and responsibilities not defined and selection criteria inadequate



Tom Nami (centre) facilitates the Village Planning Committee elections at Bosset village

VPC Relationship Building

The Middle Fly team respects the importance of all community stakeholders; Village Planning Committees (VPCs), women and youth groups, community based organisations, ward councillors and community leaders.



Newly elected Yulawas Village Planning Committee members

Staff are focused on building the capacity of the VPCs to enable them to make more sustainable livelihood decisions through appropriate trust nominations and other stakeholders such as counter funding with PNGSDP. VPCs remain the vital link between OTDF and communities in the trust project cycle. Important lessons have been learnt from past failures, enabling the team to move forward in addressing and improving the current village and community status.

VPC Elections

Successful VPC elections were conducted in twelve of the eighteen villages using the revised election guidelines under the 2006/2007 Memorandum of Understanding signed by the CMCA leaders and OTML.



Kaviananga village women taking part in the Village Planning Committee election

VPC Capacity Building Training

Village Planning Committee capacity building training was conducted across all Middle Fly villages. The objectives of the training were for VPC members to be able to:

- 1) Appreciate the mission and vision of OTDF, its role with Trust communities and its new structure and aspirations to deliver.
- 2) Realign their understanding of the project cycle to encompass the new way of formulating, developing, and submitting project proposals for OTDF actioning and sourcing funding.
- 3) Better understand their roles and responsibilities.
- 4) Understand the processes involved in establishing and maintaining partnerships with key development organisations.
- 5) Promote community development through genuinely sustainable and equitable projects, i.e. fibreglass canoes for community river transport, farming tools and health & education infrastructure.



Collecting Village Profile information for Bosset village

Village Profiles

To complement this capacity building, village profiles were completed for all eighteen impacted villages in the Middle Fly throughout 2011. Consolidated profiles are now available for use by the Company and interested development partners.



REGIONAL DEVELOPMENT SOUTH FLY

TARGET

1. Three Regional field bases at Sturt Island, Nakaku and Tapila refurbished
2. VSAT email connected
3. Staff operating full time from all regional field bases

ACTUAL

1. Sturt Island, Nakaku and Tapila houses all renovated
2. VSAT installed and internet successfully connected at Sturt Island
3. Four staff members are operating permanently from the respective field bases

BASELINE

1. Accommodation not suitable for permanent residence
2. No email communications in the field
3. Irregular visits to communities



Yassar Yunamu, Stanley Katahano and Harry Wakina posing beside the VSAT system installed at Sturt Island field base

“Now I can communicate directly through email with the main offices in Kiunga and Tabubil and relay important messages from the communities more efficiently.”

Andy Maie
Regional Coordinator
South Fly

The South Fly Region serves 8 tribes, 65 villages and a population over 45,000, has the greatest geographical spread and is widely accepted as the most challenging of all the CMCA's.

With four sub regions it was vitally important to have staff permanently accommodated in the three field bases at Sturt Island, Tapila and Nakaku. Field base infrastructure was in poor condition and required urgent maintenance. Renovations to all field bases have been completed and the four regional agriculture officers are now operating full-time from and living comfortably within these bases.

VSAT Communications

For safety and improved communications a VSAT system was installed and is operational at Sturt Island field base. The office is equipped with two computers and internet connectivity. Staff are now using email to access project updates and provide timely project feedback as well as disseminating information about upcoming CMCA meetings and capacity building activities to the communities.

Field Bases

Sturt Island is centrally located in the region with an airstrip where OTML's chartered Twin Otter lands three days a week supplying rations, project materials and transporting officers and CMCA leaders for meetings in Kiunga and Tabubil. The field base provides accommodation for OTDF, OTML Community Relations and those CMCA leaders who are in transit for meetings. Sturt Island serves all villages of Suki Fly Gogo.

Tapila field base has two accommodation units and an office building with a conference room. Tapila is strategically located in the upper Dudi region and readily accessible

to the 20 villages of Manawete, 14 villages of Kiwaba and 16 villages of Dudi that the South Fly team serves.

The Nakaku field base is a former Provincial Government house being used by OTDF under a special lease arrangement. Nakaku is conveniently located close to 12 of the 16 Suki Fly Gogo villages.

Food Security and Livelihood

Community based organisations (CBO) and model farmers who were identified during Village Profiling have been encouraged to engage in crops and livestock farming, fisheries and livelihood development activities. The South Fly team has engaged Sialowa Village casuals to work on rubber, eaglewood, taro, African yam, crocodile and Muscovy duck project trials at Sturt Island field base as a Food Multiplication and Distribution Centre (FMDC) and also provide a permanent presence for security. Preparations are also being made to trial deer farming in 2012.

Realising the importance of rubber, Suki Fly Gogo Trust approved funding of planting materials and rubber nurseries at Sturt Island. By year's end 37,312 points of rubber were budded and in the process of being distributed to selected farmers covering over 80 hectares of land.

Bases also have the facilities to host capacity building workshops. In 2011 basket weaving, cooking and food security was the focus of livelihood skills training for women, men and youth to assist them to be more self-reliant and engage in sustainable and productive activities that benefit their families and the wider community. These trainings will be extended by the Community Development Team in 2012.



TARGET

Regional jetties constructed and operational

ACTUAL

Three jetties constructed at Sturt Island in the Suki Fly Gogo Region, Waliyama in the Manawete Region and Gesowa in the Kiwaba Region

BASELINE

No public access jetties previously available in the region



Sturt Island jetty recently constructed and open to the public (Picture from Nawae Construction Ltd)

“When the ferry comes, life will be much easier for the communities to get on the ferry from the jetty and off they go to Daru and Kiunga.”

Kabili Duwaba
VPC Chairman, Sialowa Village
South Fly

**REGIONAL DEVELOPMENT
SOUTH FLY**

Regional Jetties

In the past South Fly communities travelled from inland Suki Fly Gogo villages and Fly delta Manawete, Kiwaba and Dudi villages to Daru in search of better living standards and to sell their produce. Depending on the size of the outboard motors and canoes, fuel cost would vary between K300-K650 per person along with restricted load limits.

The only jetty operational at Sturt Island was privately owned and operated by Wawood Ltd and not made accessible to the communities. A lack of suitable jetties along the river presented a challenge for villagers wishing to transport produce to market, and for OTDF to deliver containers with materials and equipment for CMCA projects or Company operations. In a first for the South Fly, three new concrete jetties were constructed by Nawae Construction Ltd under the OTML Tax Credit Scheme at Sturt Island for Suki Fly Gogo, Waliyama for Manawete and Gesowa for Kiwaba Trust Regions.

In preparation for the imminent passenger and cargo vessel operations, the area surrounding each jetty and an underwater portion has been surveyed for lease, to facilitate construction of fencing, a passenger terminal and storage shed. This infrastructure will help to control the movement of people, equipment and materials to and from the jetty.



Yassar Yunamu pointing to the cassava plants that have been grown at Sturt Island Field base for model farmer distribution

River Transport and Socio-Economic Development

With a reliable and cost effective transport link available and support from OTDF officers on the ground, the communities are keen to diversify into semi-commercial activities where their garden produce (sago, banana, yam, taro, kaukau, coconut and aibika), fisheries (catfish, barramundi and crabs) and livestock (deer and cassowary) can be sold in the lucrative Daru and Kiunga markets. The passenger ferry will provide appropriate dry and freezer cargo facilities as well as an affordable, safe and comfortable option for people to travel between the village and the urban centres for education, business and family or community reasons.



Government Community Health Worker conducting immunisations during the South Fly Health Patrol

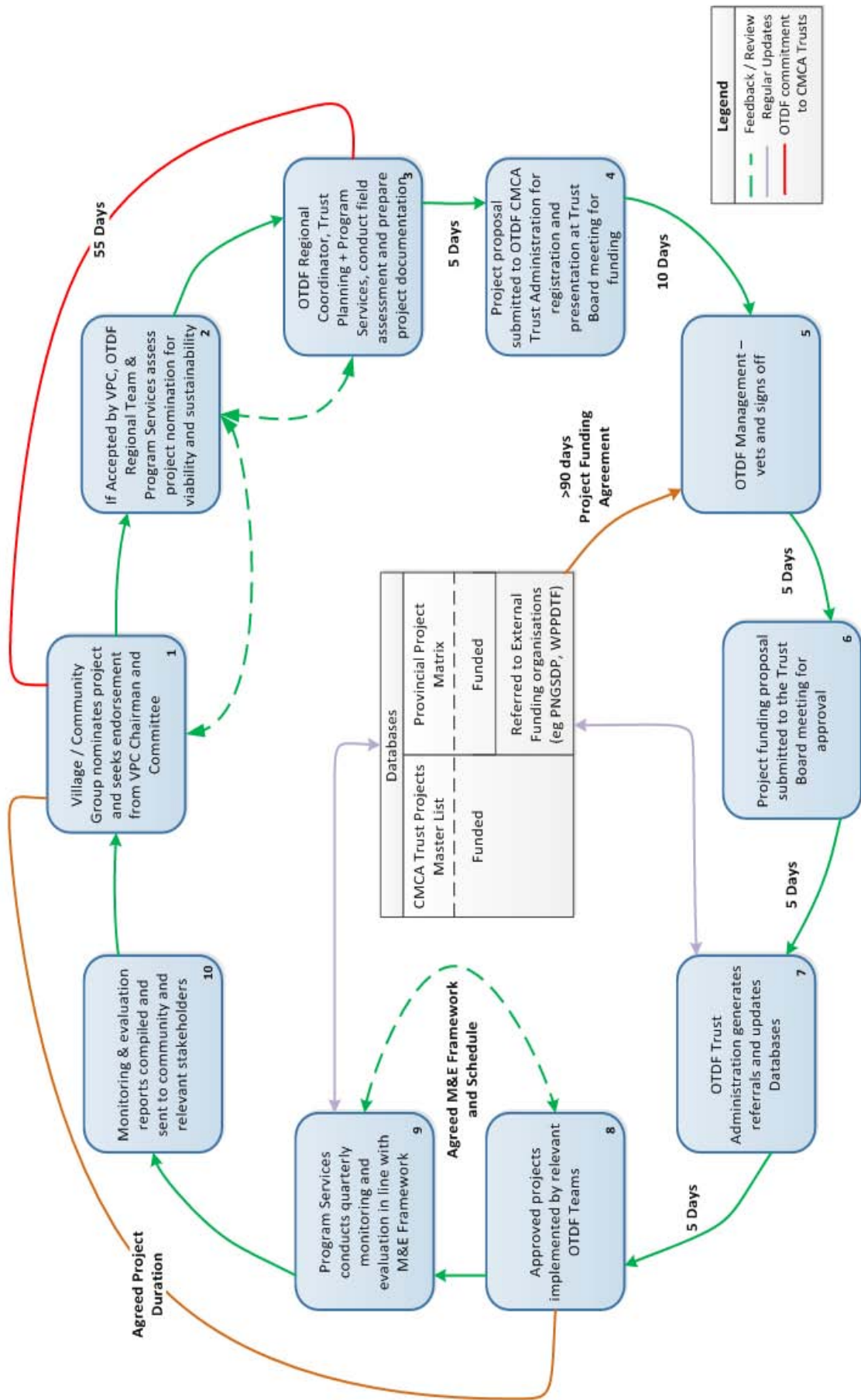
Some communities are now planning to explore other business opportunities that these jetties and the ferry services will bring, including establishment of trade stores and fuel outlets. The South Fly team has been advising the respective Chairmen during VPC meetings to form business entities or cooperatives in their regions and apply for registration with the IPA.

OTDF recognises the urgent need for training and support in business registration and development, and will employ a dedicated Business Development Officer in 2012.



CMCA TRUST PROJECT LIFE CYCLE

CMCA Trust Project Life Cycle



SUPPORT SERVICES OVERVIEW

The Support Services Division was established in March 2010 to ensure that quality programs are delivered to CMCA communities through the regional teams. Through the Program & Corporate Services functions the division employs best practice approaches in managing the project cycle and prudent financial management and accountability.

The Program Services cluster of functions is entirely new and provides design, appraisal, monitoring & evaluation, technical and contract management and costing services. These functions ensure that quality is maintained throughout the project cycle. The technical team includes Community Development officers who work across the three regions to deliver projects identified in the Women & Children's Action Plans, as well as Regional Rubber and Forestry officers.

Highlights for Program Services in 2011 included the completion of pre-feasibility studies for the WPPDTF health and infrastructure impact projects, the consolidation of those projects being implemented by PNGSDP, OTDF and the FRPG and the successful planting of rubber and eaglewood across all regions.

Provincial Project Matrix

The Program Services team has built on partnerships with OTML, PNGSDP and the FRPG to consolidate projects into a single Provincial Project Matrix. The Matrix has facilitated quarterly partner dialogue and encourages a more coordinated planning and implementation approach. Nearly 500 projects across all sectors are captured in the matrix.

Transition to Independent Systems

Corporate Services has progressively assumed independent management of OTDF finances, Trust administration, human resources, information services, procurement & logistics and asset management functions. This has been a key transition for the Company in streamlining its procedures and reviewing policies to align with OTDF corporate governance and operational requirements while maintaining the confidence of staff and all stakeholders.

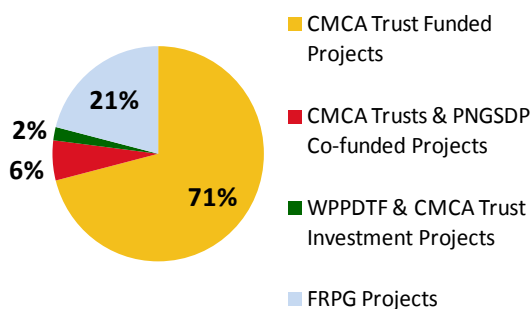
Management of the transition from OTML systems to fully independent systems for financial administration and internal accounting including payroll, human resource management, developing an asset register and contract management systems has been a significant achievement.

Risk Assessment Committee

An internal Risk Assessment Committee was established in 2011 under the Support Services Division to review and report Company risks directly to the OTDF Board of Directors every six months. The Committee incorporates members of staff from across all teams and considers identification and mitigation of risks, specifically: Safety; reputation; community acceptance of more sustainable development outcomes; program delivery; long term funding; systems; and staff wellbeing.

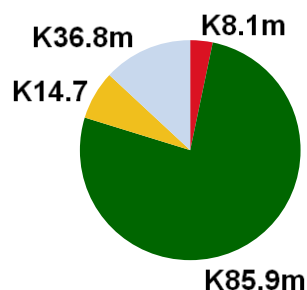
In 2012 Support Services will continue to cooperate with Regional Development and build on the four key pillars of OTDF's operations; delivering regional development programs and regional investment projects, maintaining operating system accountability and strengthening communications and stakeholder partnerships.

Provincial Project Matrix Pie Chart by Sector



These are percentages out of a total of 484 projects on the matrix by end of 2011

Provincial Project Matrix Pie Chart by Value



PROGRAM SERVICES: PROJECT SUPPORT

TARGET

1. 100% of submissions presented to Trust meetings designed, appraised and costed by the Projects team are approved and 50% are in implementation
2. Pre-feasibility studies carried out for the 7 approved WPPDTF projects
3. Team Leader and the full complement of staff are on board and commence work
4. M&E processes established to assess progress and implementation of projects coordinated by OTDF

ACTUAL

1. 188 of the 368 Submissions (51%) presented and approved by the Trusts are in implementation
2. Three Pre-feasibility studies carried out by Project Support staff for Pampenai Road, Nupmo Bridge and Aiambak to Lake Murray Road. Four feasibility studies contracted out for health, ferry and South Fly relocation projects
3. Full team of staff on board by end of 2011
4. Draft M&E Framework completed

BASELINE

1. Limited development expertise available to communities to provide technical support in project design and appraisal
2. No set process exists for monitoring the progress of projects from appraisal through to completion
3. Limited expertise to provide in-house or contracted technical support for the pre-feasibility stage of large impact projects
4. M&E non existent

The Project Support team has worked closely with colleagues from Community Development, Trust Administration and Regional Development to align and adjust the project appraisal and approval processes within OTDF. A primary focus was to support the CMCA Trust 55 day project assessment cycle which has enabled a more timely process of project initiation, appraisal, design, and costing of projects to be approved by the 8 CMCA Trust Boards.

Of the total of 368 projects facilitated through the CMCA Trusts, 188 projects valued in excess of K14 m were appraised, designed and costed by the Project Support team. The remaining projects were smaller off the shelf projects with procurement facilitated by the Trust Administration and Regional Development teams on behalf of the CMCAs.

An important aspect of educating the communities and realigning the project conception and submission process was achieved through the VPC Capacity Building training programs delivered to all CMCA regions. Project Support coordinated and developed the Terms of Reference and selection of trainers then worked closely with Regional Development colleagues to train a total of 1,020 VPC members.



Support Services Staff (Louise Olen, Jean Koaea, Frank Tokin, Bonnie Yakumani & Alison Tammy)

Other highlights for 2011 included the completion of three WPPDTF pre-feasibility studies and the consolidation of all projects being implemented by PNGSDP, OTDF and the FRPG into the Provincial Project Matrix.

Monitoring and Evaluation Framework

To ensure projects are implemented in a transparent and accountable manner Project Support has developed a robust Monitoring & Evaluation framework. The framework will assess the quality, sustainability and accountability of projects and programs being implemented from the project design phase through to completion. A formal Monitoring & Evaluation Policy will be written in 2012.



Harry Agua demonstrating the logistic challenges of simply visiting a village during the South Fly Health Patrol

The need for closer engagement was identified by OTDF Management as a key component to ensuring effective delivery to communities. Project Support took the lead to coordinate project conception and monitoring; development of funding agreements; and combined patrols such as those conducted for North Fly road rehabilitation (Timindemasuk and Demasuke road upgrading) Middle Fly eaglewood and South Fly catchment water.

In all, Project Support Officers joined health patrols, walked roads, assisted regional & community development teams and rubber patrols across 56 villages. The team also provided technical assistance to implement the innovative Bio-gas trial at Samagos Agriculture Centre in Kiunga.



TARGET

1. Project funding agreements (PFAs) for eight Regional Women's Resource Centres submitted to PNGSDP
2. Project Funding Agreement for the 5 year CMCA Women's Capacity Building Project signed and project commenced
3. Eight regional Women's Associations registered
4. Livelihood Skills Training conducted through all regions
5. CDO's set foot in at least 10 villages in their respective trust regions

ACTUAL

1. PFA's signed for the construction of all 8 regional Women's Resource Centres
2. PFA signed on the 16 June 2011
3. Process in place to finalise registration of the 8 Women's Associations with the PNG Investment Promotion Authority in early 2012
4. Worked with the CMCA Women's Associations to conduct 27 livelihood training activities for 1,041 women
5. The 4 CDO's visited a total of 75 villages in 2011

BASELINE

1. Women's Associations are not established
2. Women have limited skills to earn a meaningful cash income
3. Funding available for Women and Children but never accessed
4. Limited CDO engagement within communities

"My husband bought me a sewing machine a long time ago but I never knew how to sew until this training came to Gre village".

Marie Wasunai
Gre Village, North Fly

PROGRAM SERVICES: COMMUNITY DEVELOPMENT

The OTDF Community Development team was expanded in 2011 (adding Mine Village and South Fly officers) to enable strategic engagement at the village level, especially with the women. The Community Development team's two areas of focus are: 1) to support the 10% Women & Children's fund, specifically the CMCA Women's Capacity Building Project; and 2) planning and delivering livelihood development training and social awareness.

Access to 10% Women's and Children Funds

Community Development has successfully facilitated the approval of projects under the Women and Children Program banner at the respective Trust Board meetings. High impact projects such as the CMCA Women's Capacity Building Project and Women's Resource Centres are co-funded by PNGSDP with OTDF being the implementing agency.

The Project Funding Agreement (PFA) for the CMCA Women's Capacity Building Project was signed by Regional Women's leaders in Kiunga on the 16th June, 2011. OTDF then appointed an experienced Project Manager to implement the project. Women leader's computer training is underway as part of the multiple objectives that include networking, institutional capacity building, social infrastructure and managing Regional Women's Associations.



North Fly women participating in a cooking lesson at the Star Mountains Women's Resource Centre in Tabubil

Mobilising Women's Associations
Community Development Officers (CDO's) work closely with the women in their communities on negotiating and acquiring land for the village Community Learning Centres and regional Women's Resource Centres, to increase awareness of the importance of these facilities as training centres, as kindergarten centres and as Safe Meri Houses.



Closing ceremony after the two-week livelihood skills training in Gre village, Tutuwe region

The increased presence of CDO's interacting with the communities has enhanced their ability to facilitate social awareness programs for the wider community while supporting the capacity building project. Skills training that took place in 2011 included sewing skills, sewing machine repair, cooking, hygiene and a handcrafts project co-funded by PNGSDP for the Suki Fly and Middle Fly women.

Youth Development Program

A Youth Development Program concept paper derived from the CMCA Women & Children's Action Plan was presented and unanimously accepted by all Trusts in late 2011. Given the link to the Community Based Organisation program, sports development tied to the 2015 South Pacific Games, employment and infrastructure development has resulted in growing community support for the concept. Implementation of this program will be the primary focus for 2012 along with continued social awareness in the community on HIV/AIDS, health and hygiene, and domestic violence issues.



PROGRAM SERVICES: FORESTRY

TARGET

1. Begin the Middle Fly Central Processing Unit (CPU) Feasibility study
2. Regional Eaglewood and Agro-Forestry supported and implemented
3. Teak germplasm nurseries established

ACTUAL

1. Community engagement & preliminary work on the project completed - Feasibility study now pending agreement by PNGSDP
2. PNGSDP & OTDF have collaborated in raising 13,500 Eaglewood seedlings
3. Teak nursery developed at Briompenai with 6,000 germplasm stock and a 1ha pilot plot planted at Komovai (Middle Fly)

BASELINE

1. Middle Fly CPU project feasibility never explored
2. Opportunities in Eaglewood development not seriously considered
3. Importance of teak recognised and 3 nurseries established in each region but never followed through



'It took me a week to locate and harvest this eaglewood in the forest...the trees are becoming scarce. I am happy with the idea to plant the trees as it will make life easier for me.'

Kwem Villager, Middle Fly

The Forestry focus in 2011 centred on supporting and strengthening community development efforts to empower people to actively and meaningfully participate in related forestry development opportunities. These opportunities are expected to sustain community socio-economic livelihoods well beyond mine closure.

To identify the interests and aspirations of communities in forestry and to deliver appropriate support services that build on what people already know and are doing was the key driver.

Community Engagement

The forestry program is now delivered through greater engagement with communities and by working closely with development partners, particularly PNGSDP and the FRPG. Building on existing knowledge and skills, enables communities to increase the scale of operations and their sustainable forestry productivity. Positive changes in community attitudes were observed in response to this increased level of engagement; work about sawmill training, forest management, eaglewood production and the Middle Fly central processing unit opportunity.

Sawmilling Project Support

Enabling communities to better manage sawmills has improved delivery of village housing schemes. Portable sawmilling has therefore remained a high priority within the CMCA regions.

Along with the delivery of 10 new sawmills into various communities in 2011, the forestry team provided technical advice and facilitated training programs in sawmill operations and maintenance. This has enabled many communities to improve efficiency and prolong the service life of their sawmill equipment.

Eaglewood Development

Eaglewood in the natural forest is scarce and becoming depleted. For many villagers it can take weeks to find a standing tree. The gradual change in community perception to plant rather than exploit natural stands is a significant community response to OTDF awareness raising about eaglewood development opportunities.



Belden Dasa with germinated Eaglewood seedlings at Samagos agriculture centre

To meet this growing demand from the CMCA communities to plant eaglewood, OTDF and PNGSDP have collaborated through the sustainable forestry program to source and raise 13,500 seedlings in nurseries at Samagos, Aiambak and Sturt Island for distribution to communities.

Middle Fly Central Processing Unit

The commercial opportunity to establish a centralised timber processing facility within the Middle Fly CMCA area has been enthusiastically supported by communities in the region. A joint project feasibility study to be undertaken with PNGSDP subsidiary Company Cloudy Bay is planned for the first quarter of 2012.



Facilitated by Samuel Famiok, Kasa village resource owners sign a letter of consent for the Middle Fly CPU project



TARGET

1. Facilitate subsidised logistics support to North Fly Rubber Limited (NFRL)
2. Project Funding by CMCA Trusts and implementation by OTDF with NFRL support

ACTUAL

1. 32 x 20ft containers of processed PNGCR10 Rubber exported
28 x 20ft containers of general domestic cargo for NFRL projects shipped by OTML vessels
105,000 litres of diesel supplied to the MV Kuku for Rubber cup lump buying
Approximately 800 tonnes of cup lump purchased
86 seats booked on the OTML Twin Otter for NFRL staff
2. Six Rubber projects approved for funding by various CMCA trusts/villages
80,000+ points (177 planted hectares) of hybrid planting materials produced for field planting involving more than 100 families

BASELINE

1. OTML providing subsidised freight support to NFRL
2. No previous CMCA funding for Rubber Projects

"We are happy our trust has approved our rubber nursery program and our village development funds for block development. We have cleared 12 hectares and planted seedlings involving 15 families..... good that we see short term benefits of cash as exchange for sweat equity for up to 3 years and long term benefits when the cup lump is harvested"

Middle Fly Rubber Committee

PROGRAM SERVICES: RUBBER DEVELOPMENT

The Rubber Development focus in 2011 was twofold; facilitating subsidised logistics support to North Fly Rubber Ltd (NFRL); and acquiring Project funding from CMCA trusts & Village Development Funds for implementation of rubber nurseries and consequent distribution of budded seedlings to smallholder farmers.

Logistics Support to NFRL

The shift to OTDF facilitating subsidised logistics support to NFRL has streamlined operations in accordance with the existing agreement (2011 – 2013) signed between OTML, OTDF & NFRL. This agreement enables the shipping of export rubber and domestic consumables such as fertiliser, fuel for the cup lump collection vessel and NFRL personnel travel throughout the Province.

Increased Rubber Planting

Rubber expansion in recent years has primarily been outside the CMCA in regions like Lake Murray and Balimo, however the impacted communities now realise the long term opportunities rubber presents, both in terms of suiting their nomadic lifestyle and the financial returns that will replace cash compensation beyond mine closure. OTDF Regional Development teams assisted in getting the projects off the ground by providing project materials, technical advice and human resources. All nursery programs put in place in 2011 will have been completed before the end of quarter one 2012.



Aiambak Nursery, 3 month old rubber seedlings



NFRL staff member budding 6 month old seedlings at Sturt Island

The successfully implemented rubber programs deliver widespread opportunities to the CMCA people:

- 1) Short term income earning direct into the community where over 100 people were engaged for working on nursery land clearing and subsequent maintenance, seed collection and budding with high yielding hybrid clones. Incentives were also paid for sweat equity in three villages where 42 North and Upper Middle Fly families have cleared traditional land in preparation for rubber planting.
- 2) Four local men with technical skills in rubber nursery and field development husbandry practices were employed full time to manage day to day activities across the three regional nurseries at Kungim (North Fly), Aiambak (Middle Fly) and Sturt Island (South Fly).
- 3) Trusts & communities greatly appreciate the rubber development initiative taken by OTDF and the genuine sustainability of the industry given the well established NFRL factory in Kiunga. Market availability and predictions of future price stability are driving promising long term prospects for the farmers.

OTDF looks forward to capitalising on the interest generated this year to expand rubber development in 2012 across all trust regions.



TARGET

1. Monthly financial reports completed within 21 days after the end of the month
2. Improve the timeliness of creditors payments
3. Establish an independent financial reporting system
4. Maintaining the 2011 budget and associated cash flow
5. Permanent staff level of 68
6. Establish a Payroll function independent of OTML Finance

ACTUAL

1. Monthly financial reports completed within 21 days of months end since September 2011
2. Reduction of time taken to pay creditors from more than 120 days in January to 90 days by years end
3. All financial functions transitioned from OTML to OTDF
4. Managed the 2011 budget of K31.6 million within a variance of +/- 5% and generated a quarterly cash flow forecast
5. Permanent staff level of 57
6. Successful transition of the payroll function from OTML

BASELINE

OTDF relied on OTML financial management policies, systems and procedures since 2007

CORPORATE SERVICES: FINANCE, ADMINISTRATION & HUMAN RESOURCES

In the first full year of OTDF operations, the Corporate Services Division has played a key role in supporting the transition of the Company to financial operating independence from OTML. This has been achieved by establishing policies, systems and procedures that; facilitate improved corporate governance and accountability; provide value for money service delivery; effective human resources and information services management; and ensuring that statutory obligations are met.

Payroll

Payroll is a major expenditure item representing 22% of OTDF's overall budget for 2011. One of the highlights of the year was the seamless transfer of the fortnightly payroll function and data from OTML; completed after successfully training the OTDF Payroll Officer and creating a separate Alesco Database for the Company.

Financial Reporting

During the year other financial functions handed over to OTDF included invoicing and monthly reporting. Compliance reporting including donor and internal reports are now also prepared by the Company. Having full control over key financial data has enabled OTDF to meet its target of preparing relevant monthly financial reports for management and stakeholders within 21 days from the end of the month.

Cash Management

Timely financial reporting has also underpinned cash management functions which allow the Company to pay suppliers and collect accounts receivable more efficiently. This has resulted in a reduction in the time taken to pay creditors from 120 to 90 days.

Policies and Procedures

To help in the documentation of policies and procedures, all relevant OTML templates and forms were reviewed and modified in line with OTDF operational requirements. In an effort to ensure a Company-wide understanding of governance issues, and to promote accountability, the Corporate Services team conducted quarterly awareness sessions for all OTDF staff.

Information Services

An OTDF website www.otdfpng.org is under construction and will be operational by mid 2012. The website will give stakeholders an opportunity to access current information about the Company's operations and attract external donors. A local area network was also created to enable staff in all locations to share data more effectively.



Corporate Services Staff (Masi Soi, Ben Kerua, Hisau Malira & Amerap Nundit) working together

Human Resources

OTDF relies on the quality of its people and the working relationships they develop with internal and external stakeholders. In 2011 HR played a key role in creating new position descriptions and supporting recruitment of staff. OTDF staff performance appraisals were completed successfully, and through that process skills gaps were identified for future capacity building.

At the end of 2011 there was 57 permanent staff on contract with the Company.



TARGET

1. All CMCA project materials are procured and delivered within agreed timeframes
2. Field Bases adequately stocked and inventory reliably managed
3. All OTDF owned and leased facilities and assets recorded, properly maintained and available for use when required
4. Effectively manage the shipping and delivery of project materials

ACTUAL

1. Reduction in the backlog of CMCA projects to 100% of 2009 & 2010 and 85% of all 2011 projects procured and delivered
2. Procurement and logistics systems and procedures to service field bases and headquarters established
3. Light vehicle fleet ownership and management transferred from OTML to OTDF
Repairs and maintenance contracts for vehicles, dinghies and outboard motors implemented
4. Shipping schedules maintained for project deliveries and OTDF operating requirements down river

BASELINE

1. Significant delivery backlog for long outstanding CMCA projects since 2009
2. 2010 procurement, logistics and asset management functions were handled by OTML with priority given to mining operations

CORPORATE SERVICES: PROCURMENT, LOGISTICS & ASSET MANAGEMENT

The Procurement, Logistics and Asset Management (PLAM) team began 2011 with three permanent officers and three contractors. The team was further strengthened by the recruitment of a Port Moresby based Procurement and Logistics Officer and an Asset Management Officer who joined towards the end of the year.

A significant challenge was to assist our Regional Development and Project Services colleagues to reduce the delivery backlog of CMCA project goods and equipment within the newly established Trust Project Cycle guidelines. This included managing the gradual transition of procurement and logistics functions from OTML to OTDF to enable, among other benefits, greater control over supplier arrangements.

The Procurement team has also increased the number of Company accredited suppliers to allow for a wider selection of goods and services, and is enjoying improved supplier relationships as a result of the Finance Team's efforts in reducing the turnaround time for creditor's payments.

As part of the transition process, streamlining of the logistics function has also included more efficient use of a range of shipping options either directly to wharf or through Hi-Lift as the principal logistics and storage agent in Port Moresby. Both have worked well since the appointment of the permanent Procurement and Logistics Officer based with Hi-Lift.

Reporting has also been improved with monthly reports generated for management and weekly procurement and logistics statistical updates provided to OTDF Trust and Regional Development teams.

With a fleet of 14 vehicles and 6 dinghies with outboard motors supporting delivery of services to communities, OTDF gave high priority in 2011 to securing ownership, management and maintenance functions of these assets from OTML. This included establishment of supplier contracts for routine repairs and maintenance of vehicles with Ela Motors, with a qualified outboard motor mechanic, electrical contractor and fibreglass specialist for dinghy repairs.



Lalalute Avosa, Willie Kokoba, Ian Middleton, Michael Gen (recipient) and Nick Bunn officiate at the CMCA project vehicle delivery hand over for the Tutuwe Trust

The refurbishment of Field Bases suitable for permanent staffing and the impending move to Kiunga in 2012 has been a catalyst for taking on internal asset and inventory management systems administered by the Asset Management Officer.

In 2012, the PLAM Team will establish an asset management system which is integrated with procurement processes and develop an asset disposal policy. To ensure Field Bases continue to be adequately resourced for their operations, PLAM will also review and improve the current systems for managing stocks of consumable items such as fuel, field rations and operational supplies in all field locations.



INDEPENDENT AUDITORS REPORT



Independent auditor's report To the shareholders of Ok Tedi Development Foundation Limited

Report on the financial statements

We have audited the accompanying financial statements of Ok Tedi Development Foundation Limited (the company), which comprise the statement of financial position as at 31 December 2011, and the statement of comprehensive income, statement of changes in equity and statement of cash flow for the year ended on that date, a summary of significant accounting policies, and other explanatory notes.

Directors' responsibility for the financial statements

The directors of the company are responsible for the preparation and fair presentation of the financial statements in accordance with Generally Accepted Accounting Practice in Papua New Guinea and the Companies Act 1997 and for such internal control as the directors determine is necessary to enable the preparation of the financial statements that is free from material misstatement, whether due to fraud or error.

Auditor's responsibility

Our responsibility is to express an opinion on the financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing. These Auditing Standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the financial statements.

Our procedures include reading the other information in the Annual Report to determine whether it contains any material inconsistencies with the financial report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Auditor's opinion

In our opinion the financial statements of Ok Tedi Development Foundation Limited is in accordance with the Companies Act 1997, including giving a true and fair view of the company's financial position as at 31 December 2011 and of its performance for the year ended on that date; and complying with International Financial Reporting Standards and other generally accepted accounting practice in Papua New Guinea.



INDEPENDENT AUDITORS REPORT



Report on other legal and regulatory requirements

The Papua New Guinea Companies Act 1997 requires that in carrying out our audit we consider and report to you on the following matters. We confirm that:

1. in our opinion proper accounting records have been kept by the company, so far as appears from our examination of those records;
2. we have obtained all the information and explanations we have required; and
3. in conducting our audit we followed applicable independence requirements of Certified Practising Accountants Papua New Guinea.

Other Matters

This report, including the opinion, has been prepared for and only for the company's shareholders as a body in accordance with the PNG Companies Act 1997 and for no other purpose. We do not, in giving this opinion, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

A handwritten signature in blue ink, appearing to read 'PricewaterhouseCoopers', is written over the printed name.

PricewaterhouseCoopers

A handwritten signature in blue ink, appearing to read 'S C Beach', is written over the printed name.

By: S C Beach
Partner
Registered under the Accountants Act 1996

Lae, 3 May 2012



FINANCIAL REPORT

OK TEDI DEVELOPMENT FOUNDATION LIMITED
STATEMENT OF COMPREHENSIVE INCOME
For the Year Ended 31 December 2011

	Note	2011 Kina	2010 Kina
Income			
Interest received		6,713	5,019
Contribution from OTML		15,040,328	17,987,922
District grants		9,262,866	11,134,104
Other Income & recoveries		6,922,495	396,965
Total income		31,232,402	29,524,010
Less: Expenses			
Operating expenses	3	(21,649,002)	(16,584,009)
District rehabilitation / rebuilding project	8	(9,262,866)	(12,677,180)
Depreciation	6	(302,539)	(247,735)
Bank charges		(17,995)	(15,086)
Total expenses		(31,232,402)	(29,524,010)
Net profit before tax		-	-
Income tax		-	-
Net profit after tax		-	-
Other comprehensive income		-	-
Total Comprehensive Income for the Year		-	-



FINANCIAL REPORT

OK TEDI DEVELOPMENT FOUNDATION LIMITED
STATEMENT OF CHANGES IN EQUITY
For the Year Ended 31 December 2011

	Ordinary Shares Kina	Retained Earnings Kina	Total Kina
Balance at 31 December 2009	4	(36,115)	(36,111)
Comprehensive income/(loss) for the year	-	-	-
Balance at 31 December 2010	4	(36,115)	(36,111)
Comprehensive income/(loss) for the year	-	-	-
Balance at 31 December 2011	4	(36,115)	(36,111)



FINANCIAL REPORT

OK TEDI DEVELOPMENT FOUNDATION LIMITED
STATEMENT OF CASH FLOWS
For the Year Ended 31 December 2011

	2011 Kina	2010 Kina
CASH FLOW FROM OPERATING ACTIVITIES:		
Gross interest income received	6,713	10,177
District grants & disaster relief donations	12,383,442	11,316,041
OTML contribution	15,040,326	18,052,977
District rehabilitation / rebuilding project / operating costs	(25,924,806)	(26,357,269)
Other receipts	-	145,122
Bank charges	(17,995)	(15,086)
Interest withholding tax paid	-	(1,526)
Net Cash Generated From/(Used In) Operating Activities	<u>1,487,680</u>	<u>3,150,436</u>
CASH FLOW FROM INVESTING ACTIVITIES:		
Purchase of property, plant and equipment	(831,428)	(95,934)
Proceeds from sale of fixed assets	-	-
Net Cash Used In Investing Activities	<u>(831,428)</u>	<u>(95,934)</u>
Net increase/(decrease) in cash and cash equivalents	656,252	3,054,502
Cash at beginning of the year	8,261,432	5,206,930
CASH AND CASH EQUIVALENTS AT END OF THE YEAR (Note 4)	<u>8,917,684</u>	<u>8,261,432</u>

Reconciliation of net profit/(loss) to net cash generated from/(used in) operating activities:

Net profit/(loss) for the year	-	-
Add back non cash and non-operating item:		
Depreciation of property, plant and equipment	302,539	247,735
Movements in working capital:		
(Increase)/decrease in receivables/others	(1,235,233)	2,937,920
Increase/(decrease) in trade/deposits payable	2,420,374	(35,219)
Net Cash Generated From/(Used In) Operating Activities	<u>1,487,680</u>	<u>3,150,436</u>



FINANCIAL REPORT

OK TEDI DEVELOPMENT FOUNDATION LIMITED
STATEMENT OF FINANCIAL POSITION
As at 31 December 2011

	Note	2011 Kina	2010 Kina
CURRENT ASSETS:			
Cash	4	8,917,684	8,261,432
Receivables	5	5,341,303	4,106,070
Total Current Assets		14,258,987	12,367,502
NON CURRENT ASSETS			
Property, Plant and Equipment	6	1,179,921	651,031
Total Non Current Assets		1,179,921	651,031
Total Assets		15,438,908	13,018,533
CURRENT LIABILITIES:			
Trade Payables	7	2,414,950	3,115,151
Deposits Payable	8	13,060,069	9,939,493
Total Liabilities		15,475,019	13,054,644
Net Assets		(36,111)	(36,111)
SHAREHOLDERS' EQUITY:			
Share Capital	9	4	4
Retained Profits/(Loss)		(36,115)	(36,115)
Net Profit/(Loss)		-	-
Total Shareholders' Equity		(36,111)	(36,111)

For, and on behalf of the Board



 Nigel Parker – Director



 Lalatute Avosa – Director

25TH APRIL 2012

 Date



CMCA Information		
Mine Villages	Village and Population #'s	Region
Atemkit	1	North Fly
Kavorabip	1	North Fly
Bultem	1	North Fly
Finalbin	1	North Fly
Migalsimbip	1	North Fly
Wangbin	1	North Fly
Sub Total Mine Villages	6	
Trusts		
Nupmo Development Trust	18	North Fly
Tutuwe Development Trust	29	North Fly
Wai Tri Development Trust	19	North Fly
Middle Fly Development Foundation Trust	18	Middle Fly
Suki Fly Development Trust	16	South Fly
Manawete Development Trust	20	South Fly
Kiwaba Development Trust	14	South Fly
Dudi Development Trust	17	South Fly
SubTotal Trust Villages	151	
Total CMCA Villages	157	
Village Profiles conducted in 2011	151	
CMCA Population estimate (Source:Detailed Mine Closure Plan ,OTML, 2009)	84,000	
Western Province Population estimate (Source:PNG District & Provincial Pro- files, NRI, 2010)	153,304	

OTDF Coporate Information			
Board Members		Associate Directors	
Mr Musje Werror	Chairman, OTML	Mr Michael Gen	North Fly
Mr Lalatute Avosa	PNGSDP	Mr Richard Zumoi	Middle Fly
Mr Leonard Lagisa	OTML	Mr Harry Wakina	South Fly
Ms Nellie James	Government of PNG	Mrs Bala Tedumo	Woman's Representative
Executive Management Team			Permanent Staff
Mr Ian Middleton	Chief Executive Officer		Female 11
Ms Alison Tammy	Executive Manager Support Services		Male 46
Mr Brian Ilsin	Executive Manager Regional Development		Total 57
Ms Maxine Siwi	Executive Secretary		
Ok Tedi Mine Impact Area Association		Field Bases	
Mr Nick Bunn	President	Tabubil Agriculture Center, Samagos Agriculture Center, Aiambak,Obo,Sturt Island,Nakaku,Tapila	
	Legal Services	Accounting Services	Auditors
OTDF	Allens Arthur Robinson	Sinton Spence Chartered Accountants	Price Waterhouse Coopers
Trusts	O'Briens Lawyers	Internal Administration	Deloitte Touche Tohmatsu



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