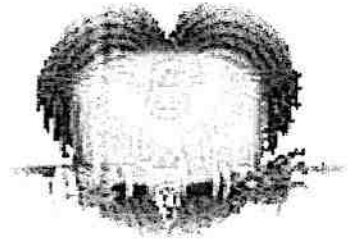


Annexes





Letter of Intent



DEPARTMENT OF COMMERCE AND INDUSTRY
OFFICE OF THE SECRETARY

Email: dci@dci.gov.pg

9th July 2008

Mr. Narciso D Caguiran Jr
Country Manager – Philippines & Abroad
China Shenyang International Economic & Technical Cooperation
Philippines Branch Office
Kawit, Cavite
Philippines

Dear Mr. Caguiran Jr,

SUBJECT: LETTER OF INTENT TO CONDUCT A STUDY- PACIFIC MARINE INDUSTRIAL ZONE (PMIZ) MADANG PAPUA NEW GUINEA

The department of Commerce and Industry through the Minister, Hon. Gabriel Kapris and on behalf of the government of Papua New Guinea, acknowledged receipt of an emailed letter to Mr. Pete Celso regarding the development assistance by China Shenyang International Economic and Technical Cooperation for the proposed Pacific Marine Industrial Zone (PMIZ).


We welcome the preferential development loan package (soft loan) assistance offered to seven (7) Pacific Island Countries with diplomatic relations to PROC including PNG as promised by the Chinese Premier Mr. Wen Jiabao during the Pacific Island Forum Conference in Australia 2006.

The government of PNG being the project proponent of PMIZ wishes to confer to your request by reaffirming the bilateral trade commitments between the two countries that has solidified over the years. The commitment was further strengthened by the recently hosted PNG-Sino Trade and Investment Symposium that lured prudent Chinese investors to invest in the country by signing the Memorandum of Understanding (MOU) in timber, palm oil, fisheries and other industrial projects.

We are in the initial stages of documenting and pre-scoping the project site for engineering design and planning for subsequent development that is anticipated to be finalized and delivered at the end of the year and should be available to interested financiers and investors like yourself. However as requested we should readily make available the site survey/development plan, the country's and Madang economic profile and other necessary documents deemed suitable for your purpose during our meeting towards the end of the month.

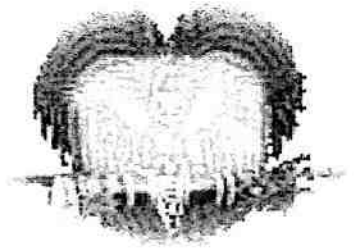
Therefore by way of this letter, we formally proffer our intent to establish dialogue with your office in Philippines and I take this opportunity on behalf of the Minister and the government of Papua New Guinea to accept your interest and look forward to meeting you and your officials for our mutual understanding.

Yours sincerely


Anton Kulit
Secretary/Chairman PMIZ

CC: Hon. Gabriel Kapris MP, Minister for Commerce & Industry
Mr. Pete Celso, Managing Director RD Tuna

*Ministry of Commerce and Industry
Guiding Papua New Guinea towards maximizing its potential in trade, commerce and industry
for greater integration in the world economy*



Memorandum of Understanding and Cooperation between Madang and CSYIC



MEMORANDUM OF UNDERSTANDING AND COOPERATION

This Memorandum of Understanding and Cooperation made by and between:

CHINA SHENYANG INTERNATIONAL ECONOMIC & TECHNICAL COOPERATION CORPORATION (CSYIC), herein referred to as the Party A, duly represented by its Chairman / President Madame Tang Lezhen, through Engr. Narciso D. Caguiran, Jr. Country Manager, Philippines and abroad, with head office address at No. 35, Youth Avenue, Shenhe District, Shenyang, Peoples Republic of China.

And

INDEPENDENT STATE OF PAPUA NEW GUINEA, herein referred to as the Party B, duly represented by Minister Gabriel L. Kapris MP, with head office address at 2nd Floor, Meale House, P.O. box 375, WAIGANI, 131 NCD, Papua New Guinea.

Have reached an understanding this 18th day of July 2008 in Manila, Philippines, based on the mutual understanding and cooperation of both parties and hereby declare the following points relative to the China Loan development Package of China Exim Bank, Peoples Republic of China.

PARTICULARS

Project Name-----Pacific Marine Industrial Zone

Location----- Madang Province, Papua New Guinea

Project Owner / Borrower-----Independent State of Papua New Guinea

Developer / Gencon-----China Shenyang International Economic & Technical Cooperation Corp.

Loan Package-----China Preferential/ Concessional Loan Package and China Buyer's Credit

Repayment Guarantee-----Government of Papua New Guinea

Development Scheme-----Fund and Build, Design-Construction-Supply of Materials and Equipment

It is understood that Party A is hereby authorized by Party B to represent to any relevant China government offices and China Exim Bank for the purpose of the loan development package.

PARTY A

BY:

Madame Tang Lezhen

Chairman / President

CSYIC, Head Office



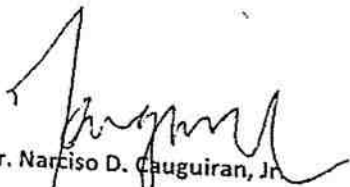
PARTY B

BY:


Minister Gabriel L. Kapris, MP

Ministry of commerce and industry

Papua New Guinea



Engr. Narciso D. Caguiran, Jr.
Country Manager, Philippines and Abroad
CSYIC, Philippine Branch Office



DR. Wilfredo Hugo
President, TPDC

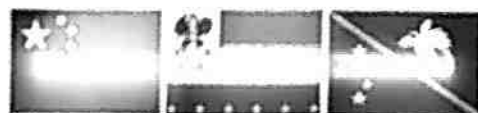
WITNESSED



Mr. Anton Kulit
Secretary of Commerce and Industry



Invitation for a Business Meeting





MINISTRY OF COMMERCE AND INDUSTRY
Office of the Minister

12th May 2008

MADAME TANG LEZHEN
Chairman/President
China Shenyang International Economic
& Technical Cooperation
No. 35, The Youth Ave, Shenhe District
Shenyang, China

Thru: Engr. Narciso D. Cauquiran, Jr.
Country Manager

SUBJECT: INVITATION FOR A BUSINESS MEETING – PAPUA NEW GUINEA

I was grateful for the opportunity to meet with you which resulted in some very fruitful discussions in relation to PNG/China trade and economic relations and what each of us can help to continue to enhance that relationship.

Papua New Guinea currently enjoys the political stability and economy growth by 6.6 % with more foreign investment in the last 10 months. As Minister responsible for business and industries and seeing a very big potential for Papua New Guinea to take this opportunity to go into downstream processing of our natural resources.

Therefore, I would official invite you for a business meeting in Port Moresby, Papua New Guinea at your convenient time and date to further discuss and understand the development package you can offer for our governments major impact priority infrastructure projects.

On behalf of the government of Papua New Guinea through Ministry of Commerce and Industry, we warmly welcome the following persons;

1. Hon. Wen Guichun, Speaker, The Standing Committee of Shenyang Peoples Congress
2. Hon. Zhang Jiliang, Director, Financial & Economical Commission of Shenyang Peoples Congress
3. Madame Tang Lezhen, Chairman/President – CSYIC
4. Mr. Wang Xilin, Oversees Director – CSYIC
5. Engr. Narciso D. Cauquiran, Jr. Country Manager – CSYIC

We hope this is sufficient to secure travel documents and we look forward to seeing you soon

Yours sincerely,


HON. GABRIEL L. KAPRIS, MP.
Minister for Commerce and Industry

DEPARTMENT OF COMMERCE & INDUSTRY



Certificate of Inspection



CERTIFICATION

This is to certify that Engr. Narciso D. Caguiran, Jr. of China Shenyang International Economic & Technical Cooperation Corporation (CSYIC), Dr. Wilfredo L. Hugo and Engr. Conrado Baylon of Truk Pacifica Development Corporation (TPDC) has conducted site inspection last November 2008 on the proposed Pacific Marine Industrial Zone (PMIZ), Madang, Papua New Guinea.

Sec. Anton Kulit
Secretary of Commerce and Industry