



Words from Mel Togolo PNG Country Manager



Welcome to my final edition of the Nautilus Minerals Update for 2015.

As 2015 draws to a close, it is time to review what we have achieved over the past 12 months and set plans for the New Year. 2015 was a very busy year for my team with many achievements reached. Our Corporate Social Responsibility (CSR) team has been delivering community programs in New Ireland and East New Britain Provinces, the environment team completed two offshore campaigns and our project team are on schedule to deliver the Solwara 1 Project.

Working with the New Ireland (NIPG) and East New Britain (ENBPG) Provincial Governments, we developed a CSR Strategic Plan which we will be delivering in partnership with both Provincial Governments. Our focus in 2015 was to collect data in the areas of health, education, standard of living and infrastructure. The data collected, which has been provided to the relevant government agencies, will be used to formalise the Strategic Plan and as a baseline to track progress.

In the first half of 2015 we completed a Community Needs Assessment. Our employees along with 17 community workers and two consultants surveyed ~1,500 households along the west coast of New Ireland. This assessment is not a requirement of PNG law; it is an initiative we undertook to gain a better understanding of the current standard of living in the communities and to identify the community's priorities for development.

Throughout 2015 we completed a detailed Health Baseline Study in the villages located nearest to the Solwara 1 Project. The aim of this study, which was completed in partnership with NIPG, was to identify opportunities to improve community health outcomes. Abt JTA were engaged to complete the study with support from our employees and health specialists from NIPG and Namatanai District Government. On completion of the study a workshop was held to discuss and prioritise Abt JTA's recommendations. We are now working with NIPG to establish a Public Private Partnership which will oversee the delivery of our health program. We plan to complete a similar study in the field of Education in early 2016.

Over the past 12 months, we have been implementing a water and sanitation program in schools along the west coast of New Ireland. Last week we celebrated the completion of another three schools. The aim of this program is to educate and promote the importance of good health and hygiene standards, as well as build water and sanitation facilities in schools located nearest to our Solwara 1 Project.



Program launching at Komalu Primary School



Participants at the NIP Malaria workshop

On December 7, Nautilus signed a Letter of Intent (LOI) along with NIPG, Newcrest Mining and consultant, Shared Sky. Under the LOI, partners will work together to establish the New Ireland Malaria Alliance which will have the ultimate objective of establishing New Ireland as the first province in PNG to achieve malaria pre-elimination and then elimination. This partnership will bring government, private sector, Non Government Organisations and Faith Based Organisations together to achieve a common goal; eliminate Malaria in New Ireland. The team and I are very excited to be part of this innovative program and look forward to starting work in 2016.

Since 2012, Nautilus has sponsored School Science Awards in New Ireland. This year we presented 27 awards in the areas of Biology, Chemistry, Physics, Geology, Humanities and the overall Science DUX for grades 9 to 12 at five Secondary and High Schools. The awards are to encourage the top performers in all science disciplines to further their studies.

We continue to work closely with the National Fisheries Authority to collect baseline data for the Environmental Management and Monitoring Plans for the Solwara 1 Project. They held two offshore campaigns to collect data and install monitoring equipment.

I would like to thank Petromin Holding PNG (Eda Kopa (Solwara) Limited), the State's nominee, for their ongoing support. We continue to work together to complete the seafloor production system to be used at the Project site when mining is planned to commence in Q1 2018.

It has been a busy 2015. The team and I look forward to an even busier 2016 as we progress our CSR program and continue the development of the Solwara 1 Project. I would like to thank all of our partners and stakeholders, for their continued support. I wish you all a safe and joyful holiday season.

Regards
Mel Togolo

About Nautilus Minerals Inc.

Nautilus is the first company to explore the ocean floor for polymetallic seafloor massive sulphide deposits and is developing its first project at Solwara 1, in the territorial waters of Papua New Guinea, where it is aiming to produce copper and gold. The company has been granted all necessary environmental and mining permits. For more information send a note to: PO Box 1161, Port Moresby, NCD or visit our websites: www.nautilusminerals.com / www.cares.nautilusminerals.com