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Mayur's forest carbon concessions granted paving pathway to "net zero" projects and opportunity to provide high quality carbon credits for global carbon markets

Mayur Resources Limited (ASX:MRL), via its 100% owned subsidiary Mayur Renewables PNG Limited (MR), has been granted its first forest carbon concessions in PNG, demonstrating material progress on its commitment to achieve "net zero" carbon emissions for its nation building import displacement projects, and delivering on the objectives of its strategic review completed in October 2021.

The carbon credits from the forest concessions will provide Mayur with a tangible path to "net zero" for its projects by partnering with PNG Landowners and the PNG Government, whilst also enabling participation in international carbon trading markets.

Key deliverables that have been achieved culminating in the grant of the forest concessions include:

- Signing of a Heads of Agreement (HOA) with the Papua New Guinea Forest Authority (PNGFA) and Landowner Consents
- Appointment of PNG's leading carbon credit expert Professor Chalapan Kaluwin, Director of Centre the Climate Change & Sustainable Development, School of Natural and Physical Sciences, University of Papua New Guinea to MR's Advisory Board
- Endorsement of a position paper (prior to Glasgow COP26) with the PNGFA, Conservation Environmental Protection Authority (CEPA) and Climate Change Development Authority (CCDA) for coordinated private sector and inter-government agency approach
- Signing of a Tripartite Agreement with relevant Landowner group(s) and PNGFA
- Written support from respective Provincial Governors in PNG
- Granting of forest carbon concessions covering approximately 800,000 hectares, with potential to expand to 1.4 million hectares

The executed HOA concerns several areas of pristine untouched forests in existing Forest Management Agreement Areas (i.e. forest areas that would otherwise be logged). The reclassification of these areas from logging into carbon concessions enables the establishment of a carbon credit estate. The reclassification will protect and preserve PNG's unique biodiversity whilst providing Landowners and the PNG Government (particularly Forestry, CCDA and Provincial Government) with the vast majority of net revenues from any future carbon credit trading.

From the various locations identified under the HOA, Mayur has been granted forest carbon concession for three areas representing approximately 800,000 hectares. This is a key milestone in enabling the company to follow through on its previously announced strategic intent to establish a carbon offset portfolio and enter the carbon trading markets.

MR has had ongoing engagement with PNGFA, CEPA, CCDA and Landowner groups and a detailed engagement process has been undertaken in accord with relevant Forestry and CCDA legislative requirements.

To be recognised as internationally acceptable "carbon concessions/estates" and allow carbon credit trading, the 3 areas are to be firstly verified under the United Nation's Reducing Emissions for Deforestation and Forest



Degradation (REDD+) initiative where such groups such as VERRA¹ are used to assure independent compliance in the projects set up and ongoing management throughout the life of the carbon credit.

Director of Mayur's Renewables business, Mr Sinton Spence, said the deal was crucial to ensure the company's shovel-ready Central Cement & Limestone (CCL) Project near Port Moresby was carbon neutral as it neared a scheduled first production date in 2024.

"The prevention of logging activities via land use reclassification will importantly preserve endangered pristine and biodiverse forests in PNG and effectively neutralises the emissions from our projects, including our flagship CCL Project, and provides PNG for the first time with its own domestically produced Clinker/Cement and Quicklime products, while enabling the Company to produce net zero nation building materials for PNG and neighbouring international markets. This approach displaces costly and environmentally unsound imports whilst creating large scale new green and nation building employment within PNG," Mr Spence said.

"This not only serves our credentials to be a supplier of choice in the Pacific region for building materials but enables surplus carbon credits to be traded in international markets with the majority of revenues to be distributed to the Landowners and PNG Government supporting long-term sustainability and resilience."

Mr Spence said each carbon credit represented one metric tonne of carbon emissions and would be certified under globally recognised organisations standards such as VERRA.

"The carbon estates program is expected to have its first project verified within the next 12 to 18 months. This is being administered by Mayur Renewables Advisory Board, led by Professor Chalapan Kaluwin from the University of PNG, the country's leading authority on carbon credit initiatives," he said.

Professor Chalapan said the program delivered on PNG's commitments in accord with the Climate Change and Development Authority regulation, post COP26, without compromising PNG's Sustainable Development vision.

"It is critical that PNG's economy is not stopped from growing to attain acceptable living standards for all citizens as other nations have already secured for themselves, which includes having the basic building blocks of cement and lime produced 'in country', rather than importing such products from Asia that come from more expensive and higher emission polluting facilities. Ensuring the majority of the monetary benefits flow through to the people of PNG in accord with the VERRA standard under a REDD+ style project will be my key focus" he said.

Tribeca Investment Partners Asia chief executive Mr Ben Cleary added, "The award of these three Carbon Permits to Mayur Renewables is a significant milestone and provides Tribeca and VT Carbon Partners confidence that Mayur is moving and is delivering, following the announcement of our \$3M loan facility, as announced to the market by Mayur on 20 December 2021. PNG's pristine and untouched rainforests mean it's well placed to become one of the largest carbon credit producers in the world".

Eddie Listorti, CEO of Viridios Capital said, "With the support of world-leading carbon project developers such as Everland, and in future planned collaboration with Mayur Renewables, PNG Landowners and the PNG Government, VT Carbon Partners intends to produce the highest quality, nature based high impact VERRA accredited REDD+ projects." Mr Listorti added, "With the clear signal emerging from COP26 in Glasgow of unanimous support to end global deforestation, along with an increasing number of corporations pledging to decarbonise, an avoided deforestation and degradation project like this in PNG is precisely the kind of project that is needed to support such crucial ambitions"

¹ VERRA's Verified Carbon Standard (VCS) Program allows certified projects to turn their greenhouse gas (GHG) emission reductions and removals into tradable carbon credits. Since its launch in 2006, the VCS Program has grown into the world's largest voluntary GHG program. VCS projects include dozens of technologies and measures which result in GHG emission reductions and removals, including forest and wetland conservation and restoration, agricultural land management, transport efficiency improvements, and many others



This announcement was authorised by Mr Paul Mulder, Managing Director of Mayur Resources Limited.
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ABOUT MAYUR RESOURCES

Mayur Resources is focused on the development of natural resources in Papua New Guinea. Our diversified asset portfolio spans iron sands, lime and cement, battery minerals and renewable power generation. Mayur also holds a 43% interest in copper gold explorer/developer Adyton Resources, a company listed on the TSX-V (TSXV:ADY).

Mayur's strategy is to serve PNG and the wider Asia Pacific region's path to decarbonisation by developing mineral projects that deliver higher quality, lower cost, and "net zero" inputs for the mining and construction industries, as well as constructing a renewable energy portfolio of solar, wind, geothermal, carbon mitigation, and battery storage.

Mayur is committed to engaging with host communities throughout the lifecycle of its projects, as well as incorporating internationally recognised Environmental, Social and Governance (ESG) standards into its strategy and business practices.

ABOUT MAYUR RENEWABLES

Mayur Renewables is a 100% owned subsidiary of Mayur Resources Ltd. The business is focused on carbon offsets, carbon credit trading, solar and geothermal renewable energy projects in PNG while assessing opportunities for wind and hydro projects. Mayur Renewables has also signed an MOU with Australian /UK battery technology company, Gelion, for the exclusive distribution of Gelion's non-flow zinc-bromide batteries once fully commercialised.

ABOUT VIRIDIOS CAPITAL

Viridios Capital allocates investment capital to carbon finance projects in line with its nature-based market-creation strategy. The company develops and deploys proprietary technology to value, structure, and originate emissions offsets and sustainable development assets, facilitating investment flows and investor returns. Viridios Capital also provides structuring and advisory on sustainable development assets, ESG facilitation, carbon credit portfolio and registry management. With offices in Sydney, London and New York, Viridios was founded in 2019 and holds Australian Financial Services Licence 521837. For more information, visit viridioscapital.com

ABOUT VT CARBON PARTNERS

VT Carbon Partners is a leading carbon-focused fund management business, formed as a joint venture between carbon advisory firm Viridios Capital, and Australia-based, specialist asset manager Tribeca Investment Partners. Working closely with some of the world's preeminent institutional and sovereign investors, VT Carbon Partners deploys capital in high-quality, accredited primary and secondary market projects that champion co-benefits in line with the UN Sustainable Development Goals. VT Carbon partners was launched in 2021 with an initial A\$500M portfolio to be deployed to high quality nature-based preservation projects that through rigorous internationally recognised accreditation processes verifies carbon units available to be traded as nature based verified carbon units (VCU) in international carbon markets. A core value of the VT Carbon partners projects is to ensure that local communities and landowners are the key beneficiaries of the revenues created