

TRANSCRIPT OF PROCEEDINGS

Commission of Inquiry into SABL
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COMMISSION OF INQUIRY INTO SABL

MR ALOIS JEREWAI

COMMISSIONER

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TOP FLOOR, MURUK HAUS, WAIGANI, FRIDAY 9 DECEMBER 2011 AT
9.57 A.M.
(Continuing from Thursday 8 December 2011)

COMMISSIONER JEREWAI: Good morning, everyone. Good morning, Counsel. I think Mr Iva was in the witness box.

MR BOI: Yes.

ALEXIS IVA, recalled:

XN: MR BOI

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COMMISSIONER JEREWAI: Yes, where were we with Mr Iva yesterday? He tendered a head lease for---

MR BOI: For East Waiii Oil Palm, Commissioner.

COMMISSIONER JEREWAI: East Waii Oil Palm portion 5C.

MR BOI: Yes, portion 5C.

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COMMISSIONER JEREWAI: That was exhibit B.

MR BOI: Exhibit B.

[EXHIBIT B – HEAD LEASE – EAST WAII OIL PALM, PORTION 5C]

MR BOI: Mr Iva, we are continuing from yesterday in which we identified the two Land Investigation Reports which you did for Wowobo Oil Palm and East Waii Oil Palm for portions 4C and 5C. The other oil palm project within the vicinity, Aiowa Oil Palm Limited, portion 6C. Are you familiar with that SABL?

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A: Yes.

Q: You confirm you did the – you conducted the land investigation into this matter and compiled a report?

A: Yes, Counsel.

Q: Commissioner, I seek leave to show the witness a copy of this – of the land investigation report.

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COMMISSIONER JEREWAI: Yes, Counsel, you do not have to seek leave. You entitled to show him.

MR BOI: Thank you.

COMMISSIONER JEREWAI: This is in relation to East – sorry, Aiowa?

MR BOI: Aiowa Oil Palm Limited, Commissioner. This is the SABL listed as number 57 on the Commission of Inquiry list.

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COMMISSIONER JEREWAI: Yes, I mean the land investigation report. Is that the land investigation report?

MR BOI: For Aiowa, yes.

COMMISSIONER JEREWAI: Aiowa?

MR BOI: Yes.

20 COMMISSIONER JEREWAI: All right, that is the one that the witness is looking at?

MR BOI: That is correct.

COMMISSIONER JEREWAI: All right.

MR BOI: That is correct.

COMMISSIONER JEREWAI: Go on.

30

MR BOI: Witness – Mr Iva, you confirmed that there is a copy of the report you compiled following your investigation into this matter on the – the report is dated 3 December 2008?

A: Yes, Counsel.

Q: You confirm that is the report?

A: Yes.

40

Q: From whom did you get the instruction or how did you go about – who gave you the instructions to conduct this land investigation?

A: The instructions came from the landowners through headquarters to Customary Lands Manager. After Manager issued an instruction number, he arranged for me to conduct the land investigation in presence of the Manager himself and the District Lands Officer.

10 Q: Following upon receipt of the instructions to conduct the report on the investigation, what did you do?

A: Firstly, we conducted awareness to those clans – to the clans within this portion of land in their respective villages. Their villages are scattered all around the rivers so we had to travel by motorized dinghies to individual villages on the awareness and also told them the mode of land acquisition that is taking place, and all those until they all accepted and they all agreed and gave their consent; so we started land investigation. All these reports – investigations were done through the villages.

20 Q: On your previous reports, you said you spent a couple of weeks; two to three weeks conducting the investigation. How long did you spend for this one?

A: It also took us three weeks to conduct the land investigation.

Q: Other than the awareness, what was the methodology you deployed in conducting the actual land investigation?

30 A: We had all the people – we called meetings in their respective villages because of the distances that lie within the villages, so we went out to village to village identifying the clans that have ownership over the portion of land which is portion 6C. We had a meeting with them; conducted land investigation that this also – we also arranged ILGs, completed the ILG application forms during the same period.

Q: Are some of these just for the benefit of the Commissioner and some of us who do not know the locality there. Some of these landowning clans in these three SABLs, are they overlapping? Are they the same group of people or entirely different, different people?

A: They are all different clans but some of those clans, they also have interest over some of the areas that have already been acquired through SABL. So it is the same group of people that we actually conducted investigations.

COMMISSIONER JEREWAI: When you say already acquired SABLs, you mean the other two?

A: Yes.

10 Q: As well as portion 8C which is Purari Development Association?

A: No.

Q: Only the other two?

A: Yes.

Q: Namely, Wowobo and East Waii?

20 A: Yes.

Q: Thank you.

MR BOI: The reason I ask you that, Mr Iva, is that we have just compared the reports – the names, agency agreements and that – and some names which appear in the Land Investigation Report for East Waii portion 5C also appear in the Land Investigation Report for Aiowa portion 6C, but you have confirmed that some of these people, they own land in both?

30 A: Yes.

10.07 am] Q: Did you conduct the land investigation for these three SABLs on separate Occasions or you did that at the same time?

A: Separate occasions.

Q: Separate occasions. Mr Iva, I note from the reports here---

40 A: Sorry, Counsel, for East Waii and Aiowa was done at the same time because these two groups, they have a common boundary sharing the same – the

portions of that separated by portions 5C and 6C, except for Wowobo, it was done separate.

Q: Okay. So, Wowobo was done on another occasion and just to refresh what you are saying, the reports – the land investigations for East Waii and Aiowa, you did during the same time, same period.

A: Yes.

10 Q: So that explains the date on these two reports being the same as 3 December 2008?

A: Yes.

Q: You submitted both reports same time?

A: Same time.

20 Q: As to the obtaining of the signatures on the Agency Agreements and the Certificate as to the land tenure, or a statdec or a declaration, were you – how was the signing conducted? Were you there, or was a government officer there or how was the signing conducted?

A: It was conducted in my presence.

Q: In your presence, all right. Everybody who signed seem to freely sign without any question, or being forced to do so or under protest?

A: No questions asked, not forced; they signed.

30 Q: In your view as seasoned Lands officer, there is nothing wrong with this land investigation report. Is that so?

A: Yes.

Q: Everything is in order?

A: It is okay.

Q: Mr Iva, there is a Certificate of Alienability attached to the reports signed by the Provincial Administrator. You gave this report to him?

A: Yes.

Q: For him to go through?

A: Yes, he signed both reports at the same time.

10 Q: Commissioner, I have proposed to tender the document.

COMMISSIONER JEREWAI: Yes.

MR BOI: As the Land Investigation Report.

COMMISSIONER JEREWAI: In respect of Aiowa?

MR BOI: In respect of, yes, portion 6C Aiowa Oil Palm Limited. Report dated 3 December 2008.

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COMMISSIONER JEREWAI: LIR dated 13 October 2008, is it?

MR BOI: Commissioner, no, the date is 3 December 2008.

COMMISSIONER JEREWAI: 3rd December 2008.

MR BOI: Yes.

30 COMMISSIONER JEREWAI: All right. In respect of Aiowa Oil Palm, portion – that is portion 6C, is it not?

MR BOI: Portion 6C.

COMMISSIONER JEREWAI: Yes, Auri, Kikori.

MR BOI: Yes.

COMMISSIONER JEREWAI: All right, that will be accepted in evidence as exhibit E?

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MR BOI: Exhibit E, yes.

COMMISSIONER JEREWAI: Exhibit E.

MR BOI: Aiowa Oil Palm.

COMMISSIONER JEREWAI: Aiowa Oil Palm, portion 6C, Auri – milinch of Auri, rather.

10 MR BOI: Yes.

COMMISSIONER JEREWAI: Fourmil Kikori, Gulf Province.

MR BOI: Yes.

COMMISSIONER JEREWAI: Yes?

MR BOI: Mr Iva, I will now show you the document, the Instrument of Lease for Customary Land, the section 11 Head Lease for you to identify. You are known
20 here as a witness. You have got a signature here, so I will show it to you. Commissioner, the witness is shown the Head Lease, the section 11 Lease dated 13 February 2009.

COMMISSIONER JEREWAI: Yes.

MR BOI: Mr Iva, you go to – or, you know what that document is in your hand?

A: Yes.

30 Q: That is the section 11 Lease.

A: Yes.

Q: In relation to portion 6C, Aiowa Oil Palm Limited. You go to page 6 of that document.

A: Yes.

40 Q: Your name is there and you have got a signature there. You confirm that that is your signature?

A: Yes.

Q: And Mr Wafinduo – the late Wafinduo’s signature is there as well.

A: Yes.

Q: You confirm that?

10 A: Yes.

Q: Was it there with you at the time of this signing?

A: Yes.

Q: The landowners, the names – the agents from page 5 onwards – of which you are said to have witnessed, did all these people sign in your presence?

A: Yes.

20

Q: Where was the signing conducted?

A: A village called Setau.

Q: Signed at Setau village?

A: Yes.

30 Q: You can also confirm to the Inquiry that nobody was forced. These agents, the signatories here, they freely and willingly signed this document?

A: Yes.

Q: Commissioner, I tender this Instrument of Lease for Customary Land for Iowa Oil Palm dated 13 February 2009, to form part of the record.

COMMISSIONER JEREWAI: Yes, that will be accepted in evidence and is marked as exhibit F, Iowa Oil Palm, portion 6C, milinch Auri, fourmil Kikori, Gulf Province.

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[EXHIBIT F – INSTRUMENT OF LEASE FOR CUSTOMARY LAND – IOWA OIL PALM, PORTION 6C, MILINCH AURI, FOURMIL KIKORI, GULF PROVINCE – 13 FEBRUARY 2009]

MR BOI: I might have those documents back. I see, yes, there is one matter here which you might need to confirm, Mr Iva.

10.17 am] You also confirm that these two Instrument of Lease for Iowa and East Waii, they were both signed at the same time or different times?

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A: Same time.

Q: Same time 13 February?

A: Yes.

Q: At Setau village?

20 A: Yes. The other one was signed at Era Maipua village and the other one was signed at Setau village.

Q: I see. All right, thank you. Those two villages, are they close together or further apart?

A: Quite a distance from each other.

Q: But you are able to conduct the signing on the same day?

A: Yes.

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Q: 13 February?

A: Yes.

Q: Very well. Mr Iva, other than what you are telling Commission of Inquiry in response to my questions, is there anything else which I might have missed out which, in relation to the reports, you want to highlight to the Commission at this stage before we---

40 A: I believe you have covered everything.

Q: Just one final matter here. In the report for both Iowa Oil Palm Limited and East Waii Oil Palm Limited, you say there in the part where it says “alleviation” in paragraph (b), the case of Iowa Oil Palm that the landowners agreed for a 99 year lease for the lease to be granted to Iowa Oil Palm. Is that correct?

A: Yes.

10 Q: You confirm that the landowners themselves nominated Iowa Oil Palm to be the grantee?

A: Yes.

Q: In the case of East Waii, that is also---

A: Yes.

Q: They nominated their landowner company?

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A: That is right.

Q: Thank you. Commissioner, I have no further questions for this witness.

COMMISSIONER JEREWAI: All right. I have no questions arising, too. Mr Iva, thank you once again. If you can continue to remain within the vicinity, thank you, this morning.

30 **THE WITNESS WITHDREW**

COMMISSIONER JEREWAI: Mr Peter Bagri is not in this morning, is he?

MR BOI: Mr Bageri?

COMMISSIONER JEREWAI: I am just noting – being the only objector – I am just noting on record, that is.

40 MR BOI: Yes.

COMMISSIONER JEREWAI: So, I will assume that his lack of appearance this morning renegades his objections to what he had confirmed yesterday that he had withdrawn it.

MR BOI: Withdrawn it, yes. Commissioner, we will – the Inquiry will continue into inquiring into the grant of the SABL. I propose to call one of the Directors of the grantee company. There are several of them. I am not sure who is here. Navai Kevari?

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COMMISSIONER JEREWAI: Let us go by SABL names. Let us start with Wowobo.

MR BOI: Yes, for Wowobo, maybe – let me just consult with---

COMMISSIONER JEREWAI: Please, please do that, Counsel.

MR BOI: Commissioner, I am told that – my records may have been a little bit out of date. One of the directors I have summoned has, I have been told, that he is no longer a director of the company; so I will call the Secretary of Wowobo Oil Palm Limited.

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COMMISSIONER JEREWAI: Who did you summon?

MR BOI: I summoned Mr Navai Kevari who is a Director of the---

COMMISSIONER JEREWAI: Is he here?

MR BOI: He was named as a Director on the---

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COMMISSIONER JEREWAI: Is he here this morning?

MR BOI: Yes.

COMMISSIONER JEREWAI: All right, have him approach the table.

MR BOI: All right. Mr Kevari?

COMMISSIONER JEREWAI: That is in relation to Wowobo?

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MR BOI: Wowobo, yes.

COMMISSIONER JEREWAI: Sir, you – please sit down. You are no longer a Director of Wowobo Oil Palm?

MR KEVARI: No.

COMMISSIONER JEREWAI: You were summoned to come here?

10 MR KEVARI: Yes.

COMMISSIONER JEREWAI: If you are no longer a director, then it may not be necessary for you to give evidence.

MR KEVARI: Okay.

COMMISSIONER JEREWAI: You understand that?

MR KEVARI: Okay.

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COMMISSIONER JEREWAI: What is your position in regard to that?

MR KEVARI: After I received the summons, it was through the search with the IPA.

COMMISSIONER JEREWAI: Yes.

MR KEVARI: I was the initial director, and enquiring with the developer, I was told that my appointment was revoked.

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COMMISSIONER JEREWAI: By the developer?

MR KEVARI: No, they showed me some documents; company registration.

COMMISSIONER JEREWAI: Yes, but who showed you?

MR KEVARI: The developer.

COMMISSIONER JEREWAI: Who of the developer?

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MR KEVARI: Reko.

COMMISSIONER JEREWAI: Who? Which official of Reko?

MR KEVARI: David Singh.

COMMISSIONER JEREWAI: A developer tells you, the landowner company and which is the grantee, that you are no longer a director?

10 MR KEVARI: Yes.

COMMISSIONER JEREWAI: Were you aware of the fact that you are no longer a director?

MR KEVARI: Not until when he told me.

COMMISSIONER JEREWAI: Who is supposed to appoint you as a director?

MR KEVARI: The initial arrangements, setting up of the company, were two
20 directors; and I was one of them representing the district.

COMMISSIONER JEREWAI: Who was the other one?

MR KEVARI: Mark Maipakai; Honourable Mark Maipakai.

COMMISSIONER JEREWAI: Is this the landowner company, Wowobo?

MR KEVARI: Yes.

30 COMMISSIONER JEREWAI: You have shareholders who are clan members?

MR KEVARI: No.

COMMISSIONER JEREWAI: No?

MR KEVARI: No.

COMMISSIONER JEREWAI: Who are the shareholders?

40 MR KEVARI: The shareholders of Wowobo landowners are Moro landowners.

COMMISSIONER JEREWAI: Yes.

MR KEVARI: Sirebe landowners and Wowobo landowners.

COMMISSIONER JEREWAI: They are the shareholders of Wowobo?

MR KEVARI: Yes.

10 COMMISSIONER JEREWAI: They are the shareholders of Wowobo?

MR KEVARI: Yes.

COMMISSIONER JEREWAI: Are they not supposed to be the ones who should appoint or remove you as director?

MR KEVARI: Yes, in the first General Meeting.

COMMISSIONER JEREWAI: Normally, shareholders do that.

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MR KEVARI: Yes.

COMMISSIONER JEREWAI: Not only in the first shareholders meeting but in every Annual General Meeting of the company.

MR KEVARI: Yes.

COMMISSIONER JEREWAI: You understand that?

30 MR KEVARI: Yes.

COMMISSIONER JEREWAI: Do you know if you were removed after a General Meeting?

MR KEVARI: Not until Thursday.

40 COMMISSIONER JEREWAI: That is all right. That is, being told by the representative of the developer. I want to know if you knew of a General Meeting – Annual General Meeting of Wowobo Oil Palm Limited where you would have been removed as a director?

MR KEVARI: No.

10.27 am] COMMISSIONER JEREWAI: Is that not strange, Counsel?

MR BOI: Yes.

COMMISSIONER JEREWAI: I think you had better call this witness; have him sworn in.

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MR BOI: Very well. Can Mr Kevari be sworn in?

NAVAI KEVARI, sworn:

XN: MR BOI

Q: Witness, can you give your full name, and address, your occupation?

20 A: Yes.

Q: For the record.

COMMISSIONER JEREWAI: Counsel, before we get to that. Because of three matters together, we will number these witnesses, witness 2. Witness 1 would have been Mr Iva.

MR BOI: Yes.

30 COMMISSIONER JEREWAI: In relation to Wowobo.

MR BOI: Yes.

COMMISSIONER JEREWAI: Witness 1 in relation to East Waii and Iowa, respective oil palm companies, will also be Mr Iva.

MR BOI: Mr Iva, yes.

COMMISSIONER JEREWAI: So this is witness 2 Wowobo.

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MR BOI: Yes.

COMMISSIONER JEREWAI: Just for clarity so our records are kept in some sort of order. Okay, proceed; your full name and address, please?

A: Yes, my name is Navai Kevari.

Q: Which village do you belong to?

10 A: Wowou village.

Q: Wowobo?

A: Wowou village.

Q: W-o-w-o?

A: O-u.

20 Q: O-u, Wowou village?

A: East Kikori, LLG area.

Q: Yes?

MR BOI: You hold a government job as well?

A: Yes.

30 Q: What is that?

A: I was the District Administrator for Kikori District.

Q: Are you still District Administrator?

A: No.

COMMISSIONER JEREWAI: When did you cease?

40 A: 15 December 2009 – sorry 15 November 2009.

Q: What do you do now?

A: Government officer on Special Projects.

MR BOI: The company search conducted at IPA records showed that you are a company director for this company, Wowobo Oil Palm Limited?

A: Yes.

10

Q: Are you still a director?

A: No.

Q: You no longer have any input or – you no longer have anything to do with the affairs of the company?

A: No.

20 COMMISSIONER JEREWAI: Let me – can I rephrase the question for you? When did you become aware that you ceased as a director?

A: 20th.

Q: 20th of?

A: 20 November.

Q: November when?

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A: This year.

Q: You became aware that you were no longer a director?

A: Aware that I am no longer a director.

Q: Okay. Do you know how you – you no longer remain a director?

40 A: Yes, after I was told on 20 November 2011, I was then shown the forms of my removal by David Singh.

Q: Who is Mr David Singh?

A: David Singh is man in charge of Reko.

Q: The developer?

A: Developer.

10 Q: Did he tell you how you ceased to be a director?

A: No.

Q: Did you ask him?

A: Yes.

Q: You asked him and what did he say?

20 A: He showed me this copy I have, Form 16; Notice of Change of Directors.

Q: Did he say anything when showing you Form 16?

A: Yes, he told me that, you have been removed as a director and a gentleman Kei Mahuki was appointed in my place.

Q: Who?

A: Kei Mahuki.

30 Q: Did Mr Singh explain whether this was done in a shareholders meeting?

A: No.

Q: Did you ask him?

A: No.

Q: We will call Mr Singh later who, I believe, is in attendance. Mr Singh, you will remain in attendance. We will require you to give evidence. Are you a landowner as well?

A: Commissioner, I am a landowner from part of the block that the Wowobo Oil Palm Project SABL is.

Q: Which part, specific?

10 A: Porome tribe.

Q: Porome?

A: Porome tribe

Q: Okay, hold on. SABL portion 5 – was it 6C? Portion 6C. Any clan you belong to from your tribe?

20 A: Yes.

Q: What is the name of the clan?

A: Koberimoro, Koberimoro, Koberimoro.

Q: Yes. Is that clan signatory to the head lease?

A: No.

30 Q: It is not?

A: No.

Q: But, was it involved in giving consents for its land to be part of this SABL?

A: No.

10.37 am] Q: Okay, they are not involved. If your clan is not involved and its land is inside the SABL, then did you clan or tribe – Porome tribe – raise any objections?

40

A: Commissioner, I am not aware of that.

Q: You are not aware or you know that they have not raised any objections?

A: Did not raise any objections.

10 Q: Yes, you have got to be precise. Not aware, it can mean anything. I do not like that English phrase when being asked a question. It is happening too often in this Inquiry; I am not being, I am not being aware, I am not being aware. You tell us if you know or you do not know.

But now, you know and you are saying your land is in and you have heard Mr Iva, the Provincial Lands Officer. Were you aware he was conducting land investigations?

A: Yes.

20 Q: As District Administrator of Kikori, did you not ensure that your clan and your tribe were not consulted if part of its land was to be incorporated in this particular SABL?

A: Commissioner, the land investigation is done by a separate – like Lands Department. It is their responsibility to ensure that if the boundary covers other---

30 Q: I understand that. You are avoiding my questions. I am asking you as a landowner. As a landowner and being in a position of responsibility, I would have thought you would have used your position to ensure your people's interests are protected, and there is nothing wrong with that. Did you not do that?

A: Yes, one of my brothers did that.

Q: And what happened to his objections?

A: I do not know what happened thereafter.

Q: Counsel, do you wish to take the witness further?

40 MR BOI: Commissioner, this is a sudden turn of events here which I am---

COMMISSIONER JEREWAI: You have got to deal with it on your feet, Counsel.

MR BOI: Yes, all right.

COMMISSIONER JEREWAI: That is what this is all about.

10 MR BOI: Very well. Mr Alexis Iva, the Provincial Lands Officer for Gulf, gave evidence that during his land investigation, there was no objection or disagreement, as far as he was able to ascertain. He was saying that your tribe or your clan is not included in the Land Investigation Report and did not sign the head lease. Are you suggesting that Mr Iva did not conduct the land investigation properly?

A: Yes.

Q: So we have a whole tribe out there who were never part of all of this?

A: Yes, Porome tribe.

20 Q: Porome tribe. I will show you a map of the SABL area.

A: Yes.

Q: Can you - unfortunately, there is no name on the map. It is a cadastral map of the survey map. But on that map, are you able to indicate to the Commission, roughly, where your village and the lands belonging to your clan lie?

30 COMMISSIONER JEREWAI: Ms Peipul, you showed me a map that had boundary colouring, no, the larger one that you showed blue lining that indicated where portion 8C was and one of the SABLs was in existence prior to portion 8C being issued. Take your time and find that map. I think that will be a little bit more help to the witness.

MR BOI: Okay, I will just---

COMMISSIONER JEREWAI: That is he satellite image?

MR BOI: I am not really---

40

COMMISSIONER JEREWAI: Could I see that? Yes, this is the one, Ms Peipul, you showed to me where you showed---

MS PEIPUL: Commissioner, Aiowa Oil Palm is within Purari, or it is Wowobo we are referring to as you can see there on the side.

COMMISSIONER JEREWAI: Yes, so, perhaps you could show this one so that he can show us approximately where it is located and if it is anywhere within the Wowobo Oil Palm block.

10

MS PEIPUL: Commissioner, this survey plan is the same, however, there are no village names within it.

COMMISSIONER JEREWAI: All right.

MS PEIPUL: Yes, so he may be in fact able to identify wherein---

COMMISSIONER JEREWAI: All right. Please, show both of them to him. Mr Associate, leave that little one and just bring the other one as well. Mr Kevari, are you acquainted with the boundaries of Wowobo Oil Palm lease?

20

A: No.

Q: Could it be possible that your village is outside of it?

A: It could be possible, so we never made any objections.

Q: All right. Then, let us – we might be wasting our time.

30 A: Yes.

Q: Let us – you try and point out where your village is.

A: Commissioner, presently, our village is located on an island,hills. But we have land boundaries inland towards Wowobo. So we border – Porome borders with Wowobo tribe. Wowobo is a tribe and we border the land boundaries with them. So, for me, I really cannot---

Q: You cannot tell from here, okay, look at the larger map.

40

A: Not even in here because the river---

Q: But Wowobo – is that Wowobo banks on the---

MS PEIPUL: Yes, that is correct.

COMMISSIONER JEREWAI: Yes, that is also the boundaries of Wowobo, lease portion 6C. If your land is not in there, then obviously, it is not right for you to be a landowner company director.

10

A: No.

Q: You understand that?

A: Yes.

Q: So you must show us with some clarity where you are. Is there any other drawing?

20 MR BOI: Yes, Commissioner, this witness has also shown us, initially, a shareholder of the company and as a director. Perhaps, he will explain how he got in.

COMMISSIONER JEREWAI: Yes, but before we go to that, we are still with the map. Is there anything with more clarity?

MS PEIPUL: Commissioner, I have would have to go online. There is a map online that I can actually access and there are probably villages that can be shown on it. I would need to leave and locate that map.

30

COMMISSIONER JEREWAI: All right, we can do that later.

MS PEIPUL: Yes.

10.47 am] COMMISSIONER JEREWAI: Mr Boi, we can pass up on a clear identification, and we will leave it as an issue to either exclude or include him in his group. If he is outside, then we can do that during adjournment in the course of this hearing. You understand that, Mr Kevari?

40 A: Yes.

Q: All right, you can proceed with the---

MR BOI: Yes. Mr Kevari, just to clear up this issue of your involvement with the company, you are also shown here on the extracts as having been a shareholder from 21 November 2006 – that was when the company was incorporated – and you ceased being a shareholder on 12 April 2011. Can you just enlighten the Commission of Inquiry as to your involvement as a shareholder and why you ceased to be a shareholder?

10

A: Thank you. Commissioner, when the company was established, I was representing the district and my name was in there as a---

Q: Yes, as district manager?

A: As a District Administrator, so I held a share or a directorship position for the company for the purpose of establishment. After the company was established and then they had a meeting – General Meeting – that was when I was voted out. They got in their directors. A new shareholding structure was then created.

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Q: The new shareholding would mean that the ILGs---

A: Yes, as they have pointed out in---

Q: Different shareholders?

A: Yes, these people here.

30 COMMISSIONER JEREWAI: So in fact, to my earlier question when you answered that you did not know how you were removed as a director, you in fact knew how you were removed as a director?

A: No, Sir.

Q: Oh, all right, explain to me. I am a bit confused here.

A: Yes. I do not know when they had that first General Meeting. I am not sure about the date there; the first General Meeting.

40

Q: All right. But your becoming a director was through that process. You represent---

A: Through the incorporation of their company, yes.

Q: All right, and after which you said they held a meeting to---

A: Revoke my appointment.

10 Q: Revoke your appointment?

A: Yes and get the new directors from the landowners.

Q: That is what I am talking about.

A: Yes.

Q: That is the meeting in which you were removed as a director.

20 A: Yes.

Q: That is what I am talking about.

A: Yes.

Q: That is the process in removing directors who are what they call Incorporation Directors because you and I can go and incorporate a company as a shelf company – the real purpose for which is to expedite certain other company engagements – developments – and then we resign and hand it over to the real shareholders. Was that the process you went through?

30

A: Yes.

MR BOI: So your involvement was as District Administrator---

A: District Administrator, yes.

Q: Just to facilitate?

40 A: Facilitate, yes.

Q: For the incorporation of this company after which your shareholding was removed or transferred to the landowners?

A: Yes.

Q: And you were removed as director?

A: Yes, on 1 June 2007.

10

Q: That explains your involvement as director. Perhaps, in respect of your involvement as a landowner and the representation that part of your land may be in the SABL area, we might have to confirm that with a map at some later stage. So, Commissioner, that being the case, perhaps this witness could be stood down at this stage.

COMMISSIONER JEREWAI: Yes. You are excused for the time being, but subject to further clarification after we obtain a map that is more detailed than the one you have been shown just to make sure that you are actually – your tribal land is actually outside of the lease that is granted to Wowobo Oil Palm.

20

A: Yes.

Q: Thank you, you may step down.

THE WITNESS WITHDREW

30 MR BOI: Commissioner, we have a serving member of the Board, Mr Goi Ebori. I propose to call him to call him to give some evidence to the Inquiry as to the – on behalf of the grantee, Wowobo Oil Palm Limited.

COMMISSIONER JEREWAI: Yes, that will be useful so that we will know if it is in existence and is subleased at this point.

MR BOI: Mr Goi Ebore?

40

GOI BORE, sworn:

XN: MR BOI

COMMISSIONER JEREWAI: This will be in respect of Wowobo.

MR BOI: Yes, in respect of Wowobo.

COMMISSIONER JEREWAI: All right. So that will be witness number 3.

10

MR BOI: Number 3.

COMMISSIONER JEREWAI: Yes?

MR BOI: Witness, can you state clearly for the record your name and position, occupation?

A: My name is Goi Ebori.

20 COMMISSIONER JEREWAI: Sorry?

A: G-o-i.

Q: Goi?

A: And Goi. Surname E-b-o-r-i. I am a principal landowner from Wowobo Oil Palm Limited. I am also a Director and as Deputy Chairman of the Wowobo Oil Palm Company Limited.

30 Q: Chairman of the Board?

A: Yes.

MR BOI: You are from what village and clan?

A: I come from Goiravi village.

Q: Goiravi?

40 A: Goiravi.

Q: Yes?

A: My clan is Jemodai.

Q: Jemodai clan?

A: Jemodai clan.

10 COMMISSIONER JEREWAI: How do you spell that?

A: J-e-m-o-d-a-i.

Q: All right, thank you.

MR BOI: You are chairman of an ILG or anything from that area as well?

20 A: Commissioner, I am the Chairman of Jemodai ILG but since then my father is alive – he is acting on behalf of the clan – but, actually, I take full time 100 per cent because I am the first born of my father.

Q: You are a Director of the Wowobo Oil Palm. When were you appointed as a Director?

A: I think I could remember I was appointed 2007.

Q: 2007?

30 A: 2007, I could remember but exact date, I cannot; but 2007 exactly.

Q: That is fine. You are familiar with the operations of the company?

A: Yes, I am 100 per cent familiar with the operation.

Q: Is the company in operation? I mean, is Wowobo Oil Palm Limited, does it have an office and staff? Is it in operation?

40 A: Commissioner, we are in the process of – so we do not have our permanent office but, actually, we are operating.

COMMISSIONER JEREWAI: Perhaps what Mr Boi, Counsel, meant is, have you embarked upon the business you had proposed when seeking to have this customary land being leased to the State and leased back to you?

A: Sir, can you rephrase it so that I can understand?

Q: You do not understand my question. Have you commenced business for which the lease was issued?

10 A: Yes.

Q: What sort of business?

A: The business is just engage with planting the oil palm.

Q: Have you commenced?

A: No.

20 Q: Development of the oil palm estate?

11.00 am] A: Sir, we are in the process.

Q: You are still working on it?

A: We are still working on it.

Q: That is the way you should; do not hesitate. It is all right. There is nothing wrong with you trying to establish it.

30 MR BOI: Is the company developing the Oil Palm itself, or is it seeking some assistance from some other people, or is it being established? How are you proposing to develop this lease?

A: Our main purpose is just to plant oil palm only.

Q: Is Wowobo Oil Palm at this capable of planting the oil palm? Does it have the money, resources, manpower to do it?

A: Counsel, can you rephrase it again so I can---

40

COMMISSIONER JEREWAI: Do you have the resources, including money, knowledge and so on to go into the business of oil palm?

A: Yes, we have the resource.

Q: Go on.

MR BOI: Yes, all right. Can you just elaborate on that? I mean, you say you have the money and the resources, what kind of resources is available for you to develop the – available to the company to develop the lease?

A: Counsel, can you elaborate again so that I can---

COMMISSIONER JEREWAI: Where are you getting your money from, put simply; bank, you raised it through your parliamentarian? Where are you getting your money from to develop the oil palm?

A: Commissioner, money is from our own resources here from our landowners only.

Q: Landowners' resources?

A: Not from anywhere else.

Q: Landowners' resource?

A: Yes, landowners' resources.

Q: Is that what you are looking for, Counsel?

MR BOI: Yes. At this stage, how much money would you say is in the company's account to develop the oil palm?

A: That I cannot specify. But like I said earlier on, we are in the process.

COMMISSIONER JEREWAI: Estimate? Give an estimate? How many millions have you got?

A: I think just roughly 100,000.

Q: That is not enough, I can tell you that. This Commission of Inquiry has been inquiring into SABLs and we have dealt with a number of SABLs proposing to grow oil palm estate, and that is definitely not enough because it takes about K9,000 per hectare to grow oil palm on 1 hectare of land. How many hectares are there in Wowobo?

MR BOI: Wowobo has 23,180 hectares.

10 COMMISSIONER JEREWAI: Let us assume, witness – let us assume only 20,000 hectares can be developed. You multiply that by K9,000, that comes to about K27 million. Is that right, roughly?

MR BOI: Roughly, yes.

COMMISSIONER JEREWAI: Okay, someone help me; I am not good at maths. K9,000 multiply by 20,000 hectares?

MR BOI: 9 – 18.

20 COMMISSIONER JEREWAI: Anyone, please.

MR BOI: About 18 million.

COMMISSIONER JEREWAI: About K18 million. Your 100,000 is no good.

MR BOI: Mr Deputy Chairman---

30 COMMISSIONER JEREWAI: In some estimates – and the same character of people are involved with you –and their estimates in Pomio, for instance, it is approximately K15,000 per hectare to develop a fully developed hectare of oil palm. So that means it is more.

MR BOI: Mr Ebori, this SABL, does it have a sublease – or subleased? Have you subleased it to anybody?

A: No – sorry, yes.

40 COMMISSIONER JEREWAI: Why are you looking down to the audience? Excuse me, witness, I will cite you under section 10A if you do not answer honestly. It is a serious offence under that provision of the Commission of Inquiry

Act if you tell a lie on oath. You are looking down to the audience and you are getting your answers. You are going back and forth, you understand?

A: Yes, Commissioner.

Q: And those of you in the audience if you provide answers, I am going to call you up for contempt. You had better answer yourself. Ask him the question again.

10 MR BOI: Witness, can you confirm whether this sublease or the lease to Wowobo Oil Palm has been subleased to somebody else?

A: The Wowobo Oil Palm sublease is Iowa and East Waii.

COMMISSIONER JEREWAI: Both are subleased?

A: Yes, both are subleased.

Q: To? Wowobo to who?

20

A: Wowobo landowner company.

Q: Who did Wowobo sublease the land to?

A: Sorry, Counsel, can you---

Q: I am asking you. You answer me. Who is - the lease portion 6C is subleased to?

30 A: Under Wowobo Oil Palm portion 4C, the sublease---

Q: Sorry, portion 4C, yes, not 6C. Yes, who is it subleased to?

A: Subleased Iowa and---

Q: Who is portion 4C subleased to? Do not take me around. Who is it subleased to? You said in the opening of your evidence, you are 100 per cent acquainted with your business of your company, so you had better answer me. Who is it subleased to?

40

A: Commissioner, we have a developer, Reko (PNG) Limited.

Q: Your answer should be very simple. Did you sublease it, the lease to Reko? Why are you wasting my time? You speak good English. You said you are 100 per cent versed with the business of your company, and you are wasting my time. Did it take five questions for you to come it? Why are you evasive?

[11.08 am] Who is - what is the next one, Iowa, is it? Did he mention Iowa as well or
10 East Waii? East Waii. Who is East Waii subleased to? You do not know?

A: I think I cannot, Commissioner---

Q: You will not know that one?

A: Yes.

Q: It is unfair to ask you that one, anyway.

20 MR BOI: So you are – you confirm this – this sublease, the lease for portion 4C has been subleased to Reko (PNG) Limited?

A: Yes.

Q: You confirm that. When was it subleased - or, maybe you cannot recall the dates – subleased on 18 January 2008? Is that correct?

A: Yes.

30 Q: You are a signatory to that sublease. You signed the documents?

A: Yes.

Q: You signed it. So you are familiar with the terms – you know the terms, he terms of the sublease; Terms and Conditions of the sublease?

A: Yes.

Q: What are some of the conditions required of the developer Reko?

40

A: Counsel, can you put it in a way that I can – yes.

Q: What did you expect Reko to do with the sublease? What was their contractual obligation?

A: The developer is here to help us plant the oil palm.

Q: Ask the developer to help you plant the oil palm or the developer to plant the oil palm and own that and pay you rental?

10

COMMISSIONER JEREWAI: Counsel, can I have a copy of the sublease? There is no way you are going to own the oil palm under Clause 4.3. On the commencement of the date of the sublease, ownership of all the oil palm is transferred to the tenant which is Reko. Did you understand that when you signed the sublease? Clause 9 says, “ The tenant Reko at its sole discretion may assign, or sublease, or mortgage part or the whole of this lease without the prior consent of” – you – “the Landlord”. Did you know that?

A: Yes.

20

Q: You knew and you signed it. Did your people give you the bow to give away land like that? I cannot ask any sensible questions without reading this in some detail. We will adjourn to 1 o'clock.

MR BOI: Very well.

COMMISSIONER JEREWAI: I want to have a look at this sublease in more detail.

30 MR BOI: Yes.

COMMISSIONER JEREWAI: Are there any - are the subleases in relation to the other two?

MR BOI: Yes, the other sublease for Iowa or East – there is one more sublease for this---

COMMISSIONER JEREWAI: All right, see if you can obtain copies during the adjournment up until 1.30 and leave them on my desk, Counsel.

40

MR BOI: Yes.

COMMISSIONER JEREWAI: For all intent and purposes as far as these Agricultural and Business Leases are concerned, it would appear the land investigation reports in order and it would appear the consents given in the course of the land investigation for grants of these leases to be made in the manner that it had already taken place, they seem to be in order.

10 But the real Inquiry under the Terms of Reference governing this Inquiry really must now look at the second phase which are the subleases and whether the consent extended allows the kind of terms contained in these subleases; and I have just quickly on a quick perusal, I have observed two but we need to read in detail so that we inquire further into the real implications of these subleases.

MR BOI: Yes.

COMMISSIONER JEREWAI: Is that the way you are seeing---

MR BOI: Yes, Commissioner.

20 COMMISSIONER JEREWAI: This Inquiry into these particular SABLs evolving?

MR BOI: Yes, Commissioner, the first stage involving the land investigation report and the head count of the head lease is in order in that it has been granted to the landowner company nominated by the landowners.

COMMISSIONER JEREWAI: Yes.

30 MR BOI: But then on the second page in which the landowner company leases to subleases, the subleases, then there may be issues of consent or the---

COMMISSIONER JEREWAI: Yes. As I have observed other earlier cases, any SABLs we have inquired into, if these landowner companies can engage with the so called developers at arms' length, then some of these Terms and Conditions incorporated in the subleases can come out a bit further and own a business like this.

11.18 am] Mr Ebori here is confronted with several of the clauses of the sublease---

40

MR BOI: Perhaps, I will---

COMMISSIONER JEREWAI: Which are read to him and he gives a very timid answer as to his being aware of what the implications are, and these are the kinds of landowner companies we are constantly encountering in this Inquiry.

We adjourn to 1.30. Associate, adjourn the Inquiry to 1.30.

10 **THE WITNESS WITHDREW**

LUNCHEON ADJOURNMENT

[1.57 pm] COMMISSIONER JEREWAI: Yes, Mr Boi?

MR BOI: Commissioner, thank you. There is one outstanding - before we
20 continue with the witness – there is an outstanding from the morning’s session in which the witness Navai Kevari indicated that this village Wowou was closed or thereabouts which included the SABL area.

COMMISSIONER JEREWAI: Yes.

MR BOI: Mr Kevari is not in but Ms Peipul has actually – what do you call it –
the map, and Wowou village appears and it seems it is a fair bit of distance from the Wowobo Oil Palm, the SABL area. I am wondering whether it will serve any
30 useful purpose to recall the witness to indicate.

If you, please, Ms Peipul can just indicate here only. We will show you where it is so you are clear and then you can make a decision as to whether to recall him or not.

COMMISSIONER JEREWAI: Yes, all right. Let me just take a look at it.

MS PEIPUL: Commissioner, it is where I have stuck the sticker, you will notice underneath it that---

40 COMMISSIONER JEREWAI: All right.

MS PEIPUL: That is where Wowou is compared to where Wowobo SABL side is.

COMMISSIONER JEREWAI: Yes. It is quite a distance away.

MR BOI: Yes.

COMMISSIONER JEREWAI: Purari is a funny river. It goes around in circles, it seems.

10

MR BOI: Yes.

COMMISSIONER JEREWAI: But it is quite a distance. Nonetheless, he is not here. Ms Peipul, if you do not mind, if that can be saved somewhere and when he is here, we will determine that. But for the time being, it seems so far away from the SABL area. Thank you.

MR BOI: Thank you, Commissioner. In relation to the continuation of the hearing this afternoon just following the adjournment before lunch, I was handed –
20 apparently, there is the other - East Waii Oil Palm Limited has also been subleased and now we have two subleases.

COMMISSIONER JEREWAI: Yes.

MR BOI: I was originally aware only of the Wowobo sublease but now, we have three subleases. Commissioner, I need some time to go through the details of the subleases and consider my position as to the calling of witnesses because when I set out calling the witnesses in the first place, I was not aware of the existence of the other two subleases.

30

Therefore, Commissioner, I am seeking an adjournment of this hearing to Monday to give me enough time to go through the details and also check on the IPA records of the other sub-lessee; and also consider my position in relation to witnesses.

COMMISSIONER JEREWAI: Yes. With regard to – we call them sub sub-lessees.

MR BOI: Yes, sub sub-lessees.

40 COMMISSIONER JEREWAI: They are obviously their so called developers.

MR BOI: Developers, yes.

COMMISSIONER JEREWAI: Do we have IPA or company search from the IPA office and the extracts on each one of them?

MR BOI: Commissioner, we have for two---

COMMISSIONER JEREWAI: Record?

10

MR BOI: Two of them. We have one for record.

COMMISSIONER JEREWAI: Yes.

MR BOI: That is the one we were alluded to earlier on.

COMMISSIONER JEREWAI: Yes.

MR BOI: And we also have for River Plantations, that is, the one for Iowa. But
20 the one for---

COMMISSIONER JEREWAI: East Waii?

MR BOI: The one for East Waii is River Estates Plantations Limited which we do not have. I was handed this before lunch, actually, after we adjourned for lunch today.

COMMISSIONER JEREWAI: All right.

MR BOI: So in view of the fact that these are developers we are talking about and--
30 --

THE COMMISSIONER: Yes.

MR BOI: 99 year leases, I need some time to---

COMMISSIONER JEREWAI: Yes, 99 year leases, we want to know the composition of the shareholders, the directors, that is---

MR BOI: Development proposals as well
40

COMMISSIONER JEREWAI: Absolutely.

MR BOI: Yes.

COMMISSIONER JEREWAI: That information were not available earlier.

MR BOI: No, Commissioner, those were not available.

10 COMMISSIONER JEREWAI: But from the fact that the subleases were only reported in the course of the Inquiry this morning.

MR BOI: Yes, the evidence given by Mr Ebori.

COMMISSIONER JEREWAI: Yes.

MR BOI: Therefore, I---

20 COMMISSIONER JEREWAI: Sorry, which one specifically need you conduct a company search to determine?

MR BOI: That is the one in relation to East Waii Oil Palm Limited River Estates Plantation.

COMMISSIONER JEREWAI: All right.

MR BOI: That is the one which I was handed in before lunch.

COMMISSIONER JEREWAI: All right.

30 MR BOI: Yes. I will have to reconsider my position in terms of the witnesses because the three have been heard together; the witnesses had to be minimized.

COMMISSIONER JEREWAI: Yes.

MR BOI: But I have to reconsider first.

40 COMMISSIONER JEREWAI: Yes, and besides with regard to the developers, I noted from their registered offices that they are located in Port Moresby.

MR BOI: At least the two we know of, River and Reko, that I were to ascertain the details of the other developer, River Estates.

COMMISSIONER JEREWAI: Yes, all right. I will consider that. I will consider your application, but I note that Mr Kevari? Yes, he has come into the room. With regard to the – perhaps, if you could come to the table and counsel will show, Mr Kevari; and we will consider if it is necessary to recall you quickly to deal with the question of whether your village and your tribal land is inside the – the paramount tribal land is inside the SABL area.

10

COMMISSIONER JEREWAI: Ms Peipul will just show you where the map is and where your village is.

MS PEIPUL: Commissioner, I will just log on.

COMMISSIONER JEREWAI: That is all right, take your time.

MR BOI: Mr Kevari, you have seen the – it seems that the village is a bit of a distance far away from the SABL. Can you confirm that?

20

MR KEVARI: Yes.

MR BOI: It is outside.

MR KEVARI: Outside, yes.

COMMISSIONER JEREWAI: Thank you, Mr Kevari, for your honesty. That simply puts to rest any issue that you might have or your villagers might have with regard to the area of the SABL. It does not include your tribal land area?

30

MR KEVARI: No.

COMMISSIONER JEREWAI: Thank you. There is no need to call him. It is on record.

MR BOI: Very well, thank you.

COMMISSIONER JEREWAI: There now remains only the cross-examination of the subleases, and I have taken - I have considered the genuine.

40

I will adjourn to Monday but before I do so, I will just raise this so that – particularly, the developers whose representatives are in the room, as well as the landowner company representatives of all the three SABLs including Wowobo, Iowa and East Waii. I have noted, particularly clauses 4 and 9 of the sublease which seems to be the standard sublease used across all three SABLs. Clause 4 relates ownership of oil palm planted for the duration of the lease. It will be owned by the developer entirely.

[2.07 pm] Then, there is the clause which I cannot recall the exact number which relates to 1
10 per cent of the profits of – from the income or revenue generated from oil palm operations.

MR BOI: Clause 17.

COMMISSIONER JEREWAI: Clause 17?

MR BOI: Yes.

COMMISSIONER JEREWAI: All right. So there is 1 per cent profit. I will make
20 a comment with regard to that profit of 1 per cent allowed under clause 17. But before I do that, I just want to refer to clauses 4 and 9 first.

Clause 9 relates to the concession to the developer to be able to deal with the lease, including this portion, or mortgaging – mortgaging of any part of the portion comprised in your individual leases without necessity to seek you landowners' prior consent. That is what clause 9 says.

Clause 17 in terms of sharing of the profits, it is not a very sensible type of
30 arrangement because many companies as we know never declare profits, be they gross profits and, much less, net profits and that is meaningless. Sharing of profits is meaningless.

South Seas Tuna operating up in the East Sepik with a 12 year life project – project life – with 5 per cent promised sharing of profits to the East Sepik Provincial Government, that never, never happened for the simple reason that South Seas Tuna has never declared profits. Do you understand that? The East Sepik Provincial Government has never received any form of profit. The only matter that could be considered as a productive result of that investment up in Wewak is the employment.

40

So, do not blindly go into profit arrangement – profit sharing arrangement. It is meaningless. Companies can easily engage in the figures in such a way that they cannot and may not, if they wish, declare profits; and that is not a very good arrangement.

10 But more alarming is that under clause 9, you have given the tenant, which are the developers, the right to dispose of your land, and that is wrong. You go over the weekend and you consider this, and we will deal with the subleases on Monday. Would Monday be appropriate or you want time on Monday to do further company searches of your own?

MR BOI: Ms Peipul tells me Monday should be all right. So could it, say, Monday 10 o'clock gives us enough time to extract the records from IPA.

COMMISSIONER JEREWAI: Yes.

MR BOI: We have tried today but we were not able to get through.

20 COMMISSIONER JEREWAI: Yes.

MR BOI: 10 o'clock Monday.

COMMISSIONER JEREWAI: This Inquiry is adjourned to 10 o'clock on Monday morning.

30 **AT 2.11 PM, THE COMMISSION OF INQUIRY INTO SABL WAS
ADJOURNED UNTIL MONDAY 12 DECEMBER 2011 AT 10.00 AM.**

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Exhibit B – Head Lease – East Waii Oil Palm, Portion 5C..... 02

30 Exhibit F – Instrument Of Lease For Customary Land – Iowa Oil 10
 Palm Portion 6C, Milinch Auri, Fourmil Kikori, Gulf Province –
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