



MEDIA RELEASE

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Anglo American divests from Nautilus over risks of deep sea mining

Major mining company withdraws from high risk Solwara 1 deep sea mining project – will Nautilus Minerals go under before reaching the ocean floor?

In advance of their London AGM on 8th May, Anglo American has exclusively confirmed to the [Deep Sea Mining Campaign](#) that they have exited their investment in the Nautilus Minerals Solwara 1 deep sea mining project. [1]

Dr. Helen Rosenbaum, of the Deep Sea Mining Campaign said: “We are pleased that Anglo American engaged with us and listened to the concerns of coastal and islands communities in Papua New Guinea, whose environment and way of life would be devastated by Nautilus's proposed Solwara 1 mine.”

Dr. Rosenbaum continued: "Anglo's decision to dump their minority stake in this controversial and floundering company was the only option consistent with their international commitments to sustainability, human rights, and environmental stewardship. Deep sea mining is financially and environmentally risky. The legitimacy of the Solwara 1 project has been questionable right from the outset with independent reviews highlighting significant flaws in the Solwara 1 Environmental Impact Statement." [2][3]

Legal action launched by Papua New Guinean communities will also answer questions about whether the Solwara 1 project was lawfully approved. In the meantime local communities have turned out in force at formal hearings held in PNG's New Ireland Province to object to the extension of Nautilus exploration licences. [4][5]

Anglo's decision reinforces the growing opposition to deep sea mining. Sir David Attenborough is the latest to add his voice against this hazardous and unnecessary emerging industry, describing the Solwara 1 project as “deeply tragic.” [6]

Andy Whitmore of the Deep Sea Mining Campaign, who will attend the Anglo American AGM noted that: “In terms of financial and reputational risk, Anglo American have chosen a good time to be exiting. But for Nautilus it looks like it could not have come at a worse time, and may well be the final nail in the coffin for this dangerous experiment.”

"The company continues to limp along with bridging loans from its two long term major shareholders - MB Holdings and Metalloinvest – while continuing to accumulate significant debt with interest payable at 8% per annum. One wonders how long this can continue and when these shareholders will be forced to pull the plug." [7]

Nautilus' recent investor updates reveals it is even unable to raise the finance to complete the Production Support Vessel essential to its operational model. The investor update notes "there can be no assurances that the Company will be successful in securing the necessary additional financing transactions within the required time or at all."

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NOTES

[1] The site for the proposed Solwara 1 mine is located the Bismarck Sea of Papua New Guinea, approximately 25 km from the coastline of New Ireland Province, about 35 km from Duke of York Islands and 60 km from Kokopo township in East New Britain.

[2] *The writing is on the wall for Solwara 1* - PNG should withdraw its investment before it's too late, 17 January 2018. <http://www.scoop.co.nz/stories/WO1801/S00104/the-writing-is-on-the-wall-for-solwara-1.htm>

[3] *Independent Review of the Environmental Impact Statement for the proposed Nautilus Minerals Solwara 1 Seabed Mining Project, Papua New Guinea*, January 2009, Professor Richard Steiner, Oasis Earth <http://www.deepseaminingoutofourdepth.org/wp-content/uploads/Steiner-Independent-review-DSM1.pdf> ; *Out of our Depth: Mining the Ocean Floor in Papua New Guinea*, November 2011. <http://www.deepseaminingoutofourdepth.org/wp-content/uploads/Out-Of-Our-Depth-low-res.pdf> ; *Physical Oceanographic Assessment of the Nautilus Environmental Impact Statement for the Solwara 1 Project - An Independent Review*, November 2012. <http://www.deepseaminingoutofourdepth.org/wp-content/uploads/EIS-Review-FINAL-low-res.pdf>

[4] *Troubled Papua New Guinea deep-sea mine faces environmental challenge*, The Guardian, 12 December 2018. <https://www.theguardian.com/world/2017/dec/12/troubled-papua-new-guinea-deep-sea-mine-faces-environmental-challenge>

[5] *Alliance of Solwara Warriors to object exploration license*, Loop PNG, 25 February 2018. <http://www.looppng.com/png-news/alliance-solwara-warriors-object-exploration-license-73872>

[6] *Sir David Attenborough backs campaign to ban seabed mining*, BBC TV, 15 December 2017. <http://www.deepseaminingoutofourdepth.org/sir-david-attenborough-back-campaign-to-ban-seabed-mining/>

[7] *Nautilus receives additional bridge loan and provides corporate update*, Nautilus company release, 30 April 2018, <https://www.nasdaq.com/press-release/nautilus-receives-additional-bridge-loan-and-provides-corporate-update-20180430-00348>