



COOK ISLANDS INVESTMENT CORPORATION AND OCEAN MINERALS LLC

JOINT MEDIA RELEASE

Rarotonga, Cook Islands, September 29th, 2017

The Government has decided that it will enter into an Agreement with Ocean Minerals LLC (OML), a U.S. company, that will reserve approximately 23,000 square kilometres, or 1.2% of the Cook Islands Exclusive Economic Zone (EEZ) containing high value Polymetallic (Manganese) nodules for up to 18 months to enable the company the exclusive right to apply to undertake prospecting and exploration activities in that area.

“The agreement has been reviewed by a number of Government agencies,” stated the Minister responsible for the Cook Islands Investment Corporation (CIIC) and Seabed Minerals (SBM), the Honourable Mark Brown, “as the activity touches on a range of Government objectives, including ensuring sustainable management of oceans and marine resources.”

If an application for an exploration license is made within the period of the agreement, the applicant will be expected to go through the necessary processes required by the Seabed Minerals Act 2009, the Marae Moana Act 2017, and the Environment Act 2003, among other relevant legislation and standards.

“I am confident that should an application proceed by OML, that our suite of legislation will enable sustainable benefits from our marine resources that balances economic returns while protecting and preserving the overall health of the Cook Islands’ oceans.”

CIIC discussed the venture with the Marae Moana Coordination Office at the Office of the Prime Minister and the institutional arrangements established under the Marae Moana Act will ensure a collaborative and informed process.

“The new agreement involves a reservation fee,” said Chairman of CIIC, Michael Henry, “and is the second Agreement to be executed between CIIC and OML”.

The first Agreement, signed a year ago, reserved a different seabed area of approximately 12,000 square kilometres for OML to explore primarily for seafloor sediment enriched in Rare Earth Elements (REEs), as well as 4 additional areas reserved for OML on first option basis.

OML Chairman, Dr. John Halkyard, notes that the interest in the Cook Islands is based on published estimates showing that the Cook Islands cobalt resource is potentially close to 15-20% of the world’s presently known resource of cobalt.

“Cobalt is becoming one of the most talked about mineral element today. Cobalt has high tech uses, as it is an essential ingredient in long life lithium-ion batteries used in electric vehicles,” stated Halkyard. “With today’s deep-sea technology, we believe the higher grades can be extracted in an economic and environmentally sustainable manner.”





COOK ISLANDS INVESTMENT CORPORATION

Government of the Cook Islands

OML has confirmed that it will have a focus on the sensitivity of environmental and social issues and that these will be at the forefront of project planning:-

“Once we are underway, we plan to have Cook Islanders involved in our project and will be meeting with the Cook Island community and leaders on a regular basis. At OML, we are very excited about engaging with the Cook Islands Government and people on both the 2016 rare earth sediment project, and the new 2017 nodule project, to develop a new national economic opportunity for the Cook Islands people, and at the same time bringing new World Class mineral resources to market for green energy applications.”

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