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MEDIA STATEMENT

Papua New Guinea University of Technology's Position on Telikom College

The Papua New Guinea University of Technology (Unitech) wishes to address recent statements by Telikom PNG Limited regarding the Telikom College property in Lae, located adjacent to the Unitech campus. These statements contain significant inaccuracies that warrant clarification.

Firstly, while Unitech respects Telikom PNG's commercial interests, it is important to acknowledge the legal and public obligations associated with the Telikom College land. This property, Portion 471, Millinch Lae, is held under Section 100 of the Land Act 1996 with a clear and binding condition: **"The Lease Shall Be Used for a Public Institutional (Telikom College) Purpose"** only.

This condition mandates that the land remains designated for public education and training. Any sale for profit would contravene this lease condition and violate the legal requirements that obligate Telikom to preserve its public purpose. Public assets are meant to serve collective interests, and diverting their use for private or commercial gain erodes their public designation. To our knowledge, there has been no lawful amendment to this lease condition allowing the property's sale for non-educational purposes.

Unitech's interest in acquiring Telikom College has always been driven by a desire to integrate it into our offerings, providing technical training aligned with our internationally recognized curriculum and industry-specific programs. Accordingly, Unitech engaged in constructive discussions with the Telikom Board, KCH Ltd., and also sought support from the Office of the Prime Minister and the late Hon. Sam Basil, National Planning Minister at the time.

Telikom College has been non-operational for several years, requiring substantial investment for rehabilitation. Anticipating the potential acquisition, Unitech submitted a funding proposal under the Public Investment Program (PIP) to the National Planning Department, securing K4

million in government funding to rehabilitate Telikom College, should the acquisition proceed. This funding is part of Unitech's PIP allocation, and we are accountable to the relevant authorities—not Telikom PNG—for the use of those funds. Unitech is under no obligation to allocate its PIP funds for the benefit of any SOE, and Telikom PNG's contrary claim is both misleading and unfounded.

Telikom PNG's assertion of entitlement over this PIP funding is misplaced and reflects a misunderstanding of the role of State-Owned Enterprises (SOEs) within the broader framework of public investment. SOEs are intended to be profit-generating entities, contributing dividends to the national budget, which then supports public institutions like Unitech. Rather than drawing further from national funds, SOEs should aim to be financially self-sustaining, contributing to broader governmental objectives. The notion that Telikom or any SOE is entitled to PIP funding reveals a broader issue: the dependency of some SOEs on government support when it should be the other way around.

During discussions, Telikom PNG proposed financially unfeasible conditions for Unitech's use of the property, including an excessive and ridiculous rental rate of K300,000 per month from Day 1. For a deteriorated facility, this rate is beyond the financial means of any public university and seems designed to dissuade Unitech from pursuing the acquisition. It is unreasonable to expect an educational institution to shoulder such costs when the property's purpose remains public and educational.

In response, Unitech proposed a cooperative approach, whereby we would rehabilitate and operate the college and share potential profits from tuition fees. Currently, the property lies unused, and Telikom derives no financial benefit from it. Unitech remains resolute that this facility should fulfill its original public educational purpose, as stipulated in the lease.

Our commitment to acquiring Telikom College as a resource for educating future generations remains steadfast. The long-term societal benefits of educating Papua New Guineans far outweigh any short-term financial interests Telikom may seek. Telikom PNG's profitability should stem from its telecommunications operations—not from the sale of a public educational institution.

Diverting public resources for commercial profit limits educational opportunities and weakens investment in public education. The government and Telikom must recognize that these assets

are not ordinary commercial holdings but public resources meant to serve and benefit the people of Papua New Guinea through education and training.

Unitech remains optimistic that this proposed sale will be abandoned in the public interest. Unitech also acknowledges and thanks everyone who have supported this cause. We are also exploring all available legal avenues to safeguard this public asset and ensure its use aligns with Papua New Guinea's future interests.

Authorised for Release,

A handwritten signature in black ink, appearing to read 'Sam Koim', written over a horizontal line.

Sam Koim, OBE

Chancellor