DEPARTMENT OF TREASURY
Financial Management Division

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Our Ref: *FMD/SEB/1-1.1.1/GT*

02nd September 2016

Governor
Bank of Papua New Guinea
P.O Box 121
Port Moresby, NCD

Attention : Mr. Rowan Rupa

Dear Governor,

Tender of K90.00 million of Inscribed Stock in September 2016 for the Independent State of Papua New Guinea

I hereby request the Bank of Papua New Guinea to inform all registered bidders today, and copy me as the First Assistant Secretary of the tender on Tuesday 20th September 2016 of K90.00 million of Inscribed Stocks with settlement on Friday 23rd September 2016, comprising:

Amount K million	Maturities	Coupons % pa	Next Coupon Date
30.00	15 November 2019	9.00	15 November 2016
25.00	15 May 2021	10.50	15 November 2016
20.00	15 May 2025	11.50	15 November 2016
15.00	15 August 2028	12.50	15 February 2017

The administrative arrangements and terms and conditions are similar to the Inscribed Stock previously issued:

- All bidders must be registered with the Department of Treasury's issuing agent, Bank of Papua New Guinea.
- All bids must be received by mid-day on the day of Tender at Financial Markets Department Second Floor, To Robert Haus, Bank of Papua New Guinea.
- Coupons are payable on every six months and the minimum bid is K100, 000.
- Inscribed Stock can be paid with either cash, Treasury Bills or Inscribed Stock with remaining maturity of less than six months.
    - The settlement value of the Treasury Bills and Inscribed Stock is to be calculated using the zero-coupon yield- curve derived from the straight line interpolation of the weighted average yields of the latest Treasury Bill and Central Bank Bill Auctions.
- All other terms and conditions outlined in the Information Memorandum for Inscribed Stock will apply.

Investors who wish to find out more about government securities should contact either:

- Mr. Rowan Rupa, Financial Markets Department, Bank of Papua New Guinea, Phone: (+675) 322 7349 Fax: (+675) 321 0918 Email: rrupa@bankpng.gov.pg

- Mr. Damien Horiambe, Financial Management Division, Department of Treasury Phone :(+675) 313 3526 or (+675) 313 3673/ 313 3675 Fax (+675) 312 8808 Email: damien_horiambe@treasury.gov.pg

DAMIEN HORIAMBE
First Assistant secretary