

Disclosure and Communications Policy

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Disclosure and Communications Policy

1. Introduction

This is the disclosure and communications policy (**Policy**) for Bougainville Copper Limited, a company incorporated in Papua New Guinea (A.R.B.N. 007 497 869) (**BCL or Company**).¹ This policy sets out the Company's goal to promote a fair market, honest management and full and fair disclosure. The disclosure requirements prescribed under the ASX Listing Rules, the Corporations Act, the Companies Act and the Securities Act must be complied with in accordance with their spirit, intention and purpose. In order to achieve this, the Company has adopted this policy and it is crucial that all Directors, Key Management Personnel and employees at all levels understand and comply with this policy and the procedures that it sets out.

This policy should not just be given a literal interpretation. It should be read and understood with regard to the policy objectives of the continuous disclosure regime such that the Company is able to demonstrate its objective to be at the forefront of best corporate governance practice.

A failure to comply with this policy may result in serious civil or criminal liability for the Company and its officers and could irrevocably damage the reputation of the Company.

All Directors, Key Management Personnel and employees must be aware of the existence of this policy and be familiar with its terms, so that they can report appropriately on potentially market sensitive information and can assist with maintaining confidentiality around commercially sensitive information. When determined appropriate by the Disclosure Officer (as defined in clause 7.1), disclosure must be made immediately. Any employee or officer of the Company, who is uncertain as to whether certain information should be disclosed should immediately contact the Disclosure Officer.

2. Glossary

In this policy:

ASIC means the Australian Securities and Investments Commission established under the *Australian Securities and Investments Commission Act 2001* (Cth).

ASX means ASX Limited or, depending on the context, the financial market it operates;

ASX Corporate Governance Principles and Recommendations means the Third edition of the Corporate Governance Principles and Recommendations published by ASX.

ASX Listing Rules means the official listing rules of ASX.

Authorised Spokespersons means a person authorised by the Company to speak on behalf of the Company appointed by the Disclosure Officer in accordance with section 9.1 of this policy.

¹ ASX Corporate Governance Principles and Recommendations (Third Edition) Recommendation 5.1.

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Board means the board of Directors of the Company.

Corporations Act means the *Corporations Act 2001* (Cth).

Companies Act means the Companies Act 1997 (PNG).

Director means a director of the Company.

Disclosure Officer has the meaning given to that term in clause 7.1.

Key Management Personnel has the same meaning given to that term in the Accounting Standards AASB 124 which is 'those persons having authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly, including any Director (whether executive or otherwise) of that entity'.

SCPNG means the Securities Commission of Papua New Guinea.

Price Sensitive Information has the meaning given to that term under section 5.2(a).

Securities Act means the Securities Act 1997 (PNG).

3. Purpose

The purpose of this policy is to:

- (a) set out the responsibility of each Director, member of Key Management Personnel and employee for reporting information that may potentially be 'Price Sensitive Information';
- (b) summarise the Company's disclosure obligations;
- (c) explain what type of information needs to be disclosed;
- (d) identify who is responsible for disclosure and communication; and
- (e) explain how individuals at the Company can contribute.

4. Reporting potentially Price Sensitive Information

Once a Director, member of Key Management Personnel or employee of the Company becomes aware of information that may be price-sensitive in the context of the Company's share price, they should immediately refer that information to the Disclosure Officer and provide a summary of the following:

- (a) a general description of the matter;
- (b) details of the parties involved;
- (c) the relevant date of the transaction or event;
- (d) the status of the matter (e.g. final/negotiations still in progress/preliminary negotiations only);
- (e) the estimated value of the transaction;
- (f) the estimated effect on the Company's finances or operations; and

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- (g) the names of any in-house or external advisers involved in the matter.

5. The Company's disclosure obligations

5.1 Disclosure principles

The Company's main continuous disclosure obligations are set out in ASX Listing Rules 3.1 and 3.1B.

5.2 What information must be disclosed?

(a) **'Price Sensitive Information'**

ASX Listing Rule 3.1 states:

*Once an entity is or becomes aware of any information concerning it that a **reasonable person** would expect to have a **material effect** on the price or value of the entity's securities, the entity must immediately tell ASX that information.*

ASX Listing Rule 3.1 is, however subject to a number of exceptions which are set out in listing rule 3.1A. A summary of these exceptions is set out below.

Under the ASX Listing Rules, the Company becomes aware of information if a Director or executive officer of the Company has, or ought reasonably to have, come into possession of the information in the course of the performance of their duties as a Director or executive officer of the Company. The disclosure obligation applies not only to information of which the Directors or executive Directors are actually aware, but also information of which those persons ought to have been aware.

A reasonable person would be taken to expect information to have a 'material effect' on the price or value of shares and other securities of the Company if the information would, or would be likely to, influence persons who commonly invest in such securities in making a decision to buy, hold or sell the Company's securities (**Price Sensitive Information**). As this is an assessment of market behaviour, advice may be required from a suitable expert.

Price Sensitive Information may come from the internal activities of the Company or from external sources, such as a joint venture partner, an unlisted entity in which the Company has an interest or a decision by a court or government body.

Annexure 1 sets out examples of the kinds of Price Sensitive Information that the Company may be required to disclose. Note that Annexure 1 should be read in conjunction with Chapter 3 of the ASX Listing Rules, which sets out specific continuous disclosure requirements.

If you are ever in any doubt about the importance of information which comes to your attention, you should immediately notify the Disclosure Officer.

The disclosure obligation does not normally apply where the information is generally available. However, the impact of certain information that is generally available in relation to the Company may be such that it is likely to have a material effect on the price or value of the Company securities. If this is the case, the Disclosure Officer must determine whether the disclosure obligation will apply and the impact or effect must be disclosed. The Chairman and the Board may also be included in these discussions, as appropriate.

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(b) **Immediately**

Under Listing Rule 3.1, disclosure of Price Sensitive Information must occur immediately upon the Company becoming aware of the information (unless an exception applies, as discussed in paragraph 5.2(c) below). ASX considers the word 'immediately' to mean, in this context, 'promptly and without delay'. Doing something 'promptly and without delay' means doing it as quickly as it can be done in the circumstances (i.e. acting promptly) and not deferring, postponing or putting it off to a later time (i.e. without delay).

In some instances, it may be appropriate to seek external advice in determining whether certain information should be disclosed.

(c) **Exception to requirement to disclose Price Sensitive Information**

The Company's obligation to disclose Price Sensitive Information does not apply if, and only if, each of the following conditions is and remains satisfied:

- (i) the information is confidential (i.e. not in the public domain) and ASX has not formed the view that the information has ceased to be confidential; and
- (ii) a reasonable person would not expect it to be disclosed (because, for example, the result of disclosure would be unreasonably prejudicial to the Company); and
- (iii) one or more of the following conditions apply:
 - (A) it would be a breach of a law to disclose the information;
 - (B) the information concerns an incomplete proposal or negotiation (for example, a negotiation to enter into a new contract);
 - (C) the information is generated for the internal management purposes of the Company;
 - (D) the information comprised matters of supposition or is insufficiently definite to warrant disclosure; and/or
 - (E) the information is a trade secret.

Only the Disclosure Officer can make a decision as to whether the Company can rely on this exception to its disclosure obligations. As soon as one of these three elements is no longer satisfied (e.g. the information is reported in the media and is therefore no longer confidential) the Company must immediately comply with its obligations under Listing Rule 3.1 to disclose the information to ASX. **The obligation to disclose the information arises even though two of the above three requirements remain satisfied.**

(d) **Periodic disclosure**

The table below sets out some of the more important periodic and standard disclosure obligations of the Company under the Listing Rules and this policy applies equally to those obligations.

Obligations — Periodic and Standard Disclosure	Requirements
Annual and half yearly financial reports	In addition to the Corporations Act and Companies Act obligations, Chapter 4 of the ASX
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Obligations — Periodic and Standard Disclosure	Requirements
	Listing Rules requires a preliminary final report in the form of Appendix 4B.
Quarterly cash flow report	Some entities have obligations to give quarterly cash flow reports in accordance with Appendix 4C. ²
Information relating to equity securities	Entities must disclose detailed information relating to the issue, cancellation and ownership of securities. ³

(e) **Contravention and liability**

A breach of the Company’s continuous disclosure obligations can result in criminal and civil liability under the Corporations Act including fines and adverse publicity orders and claims for compensation by persons who have suffered loss as a result of the contravention (such as those who traded securities during the period the market was not properly informed).

In addition, officers (including both Directors and Key Management Personnel) and advisers who are involved in a contravention may also face criminal and civil liability. The criminal penalty for an individual may be a fine, imprisonment or both. ASIC also has the power to issue administrative orders known as infringement notices (with significant financial penalties) where ASIC considers a company has contravened the continuous disclosure regime. In addition to the above, a breach of the Company’s reporting obligations under the Companies Act can result in criminal liability including fines.

Breaches of this policy by the Company officers and employees, or any behaviour that is otherwise inconsistent with this policy, may lead to disciplinary action, including dismissal in serious instances.

(f) **Information required to correct a false market**

ASX Listing Rule 3.1B states:

If ASX considers that there is or is likely to be a false market in an entity’s securities, and asks that entity to give it information to correct or prevent a false market, the entity must give ASX the information needed to correct or prevent the false market.

A false market refers to a market in which the Company’s securities (including shares) are traded:

- (i) in the absence of material Price Sensitive Information having been disclosed; or
- (ii) on the basis of information that is materially incomplete or materially misleading.

² ASX Listing Rule 4.7B.

³ ASX Listing Rules 4.10.

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Examples of circumstances where ASX considers a false market may arise include where:

- (i) the Company has made a false or misleading announcement;
- (ii) there is other false or misleading information, including a false rumour, circulating in the market; or
- (iii) a segment of the market is trading on the basis of market sensitive information that is not available to the market as a whole.

Factors such as market speculation on the Company's earnings projections or misunderstanding concerning the meaning of financial information released by the Company can lead to a false market.

In order to ensure that there is at all times a fair and balanced market in the Company's shares and other securities, the Company should:

- (A) release to the market information required to correct a false market, whether or not a request has been received from ASX; and
- (B) provide the market with balanced and factual commentary on the Company's financial results to ensure that the Company's investors are able to make an informed assessment of the Company's activities and results.

The obligation to disclose information in response to ASX's request applies even where an exception to disclosure under Listing Rule 3.1 applies.

In addition, the Company, Directors and employees can breach provisions in the Securities Act that relate to stock market manipulation, false trading and market rigging, making false and misleading statements, fraudulent inducement and dissemination of information about illegal transactions. A breach of these provisions can result in imprisonment, fines and claims for compensation by persons who have suffered loss as a result of the contravention.

6. The role of the Company Board

The Board is ultimately responsible for determining what information should be disclosed to ASX.

This section outlines the extent of the Board's obligations to ensure that the Company complies with its continuous disclosure obligations under the ASX Listing Rules, Corporations Act, and its disclosure obligations under the Companies Act and Securities Act.

6.1 General

The Board is responsible for approving, and providing input on, all matters that are clearly within its reserved powers (and responsibility for which has not been delegated to management) or matters that are otherwise of fundamental significance to the Company, including:

- (a) significant profit upgrades or downgrades;
- (b) dividend policy or declarations;

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- (c) significant transactions or events;
- (d) company-transforming events; and
- (e) any other matters that are determined by the Chairman to be of fundamental significance to the Company.

6.2 Board meetings

At the end of each Board meeting, the Board must determine whether any of the items of business considered, or any matter arising as a consequence of a resolution passed at that meeting, require disclosure to ASX, and if so the Board will follow the procedures for the release of information to ASX that are outlined in sections 8.2(c) to 8.2(f) of this policy.

7. Disclosure Officer

7.1 Appointment of Disclosure Officer

The Board will appoint the Company Secretary to act as the Disclosure Officer, who will be responsible for the matters set out in section 7.2 and Annexure 2 of this policy (**Disclosure Officer**). Responsibilities of the Disclosure Officer

The Disclosure Officer is responsible for:

- (a) liaising with ASX in relation to continuous disclosure issues;
- (b) ensuring that the Company's system for the disclosure of Price Sensitive Information to ASX in a timely fashion is operating effectively;
- (c) overseeing and coordinating the disclosure of information to ASX, shareholders, analysts, stockbrokers, media and the public;
- (d) liaising with the Company Board, as appropriate, in relation to the disclosure of information;
- (e) keeping records of all ASX releases and other information that has been provided to ASX for release to the market;
- (f) monitoring the Company's compliance with disclosure obligations set out in the ASX Listing Rules, the Corporations Act, the Companies Act and the Securities Act;
- (g) periodically reviewing the Company's disclosure procedures in light of recent judgments on continuous disclosure, changes to the ASX Listing Rules, Corporations Act, the Companies Act and the Securities Act and recommending to the Board any necessary changes to the procedures;
- (h) educating officers and employees on the Company's continuous disclosure policy and procedures and raising awareness of the principles underlying continuous disclosure; and
- (i) regularly preparing disclosure reports to the Board which:
 - (i) advise on material matters considered and the form of disclosure (if any); and
 - (ii) recommend any material changes to the Company's continuous disclosure processes.

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8. Procedures for disclosing Price Sensitive Information

8.1 Disclosure of Price Sensitive Information

Disclosure of Price Sensitive Information to ASX must be made by the Company acting through the Board or, in exceptional circumstances, the Disclosure Officer in accordance with this section 8.

The Board is ultimately responsible for ensuring that the Company complies with its disclosure obligations.

8.2 Responsibility for disclosure of Price Sensitive Information

(a) **All potentially Price Sensitive Information to be provided to the Disclosure Officer**

When information is identified by a Director, member of Key Management Personnel or employee that may potentially be regarded as Price Sensitive Information, it must be promptly provided to the Disclosure Officer (either verbally or in writing) for consideration as to whether the information should be disclosed to ASX. If appropriate, the Disclosure Officer may seek external advice. The Disclosure Officer will maintain a record of all matters that are assessed in accordance with this section 8.2(a).

(b) **Disclosure Officer to make recommendation to Board**

Having received information pursuant to section 8.2(a) the Disclosure Officer will immediately notify each member of the Board that it has received information under section 8.2(a), and as soon as possible provide the Board with the following:

- (i) all relevant information that the Board needs to consider to make an informed decision;
- (ii) a recommendation on each of the following:
 - whether the information is Price Sensitive Information;
 - whether any of the exceptions listed in ASX Listing Rule 3.1A apply to the information;
 - the course of action to be adopted by the Company, i.e. whether the information should or should not be disclosed to ASX or whether a trading halt should be requested by the Company; and
- (iii) if the Disclosure Officer recommends that the information should be disclosed to ASX, an appropriate draft release to ASX.

(c) **Board to determine whether information is disclosed to ASX**

The Board will:

- (i) review all information provided to it by the Disclosure Officer pursuant to section 8.2(b);
- (ii) determine whether the information is Price Sensitive Information that requires disclosure to ASX and whether any of the exceptions listed in ASX Listing Rule 3.1A apply;

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- (iii) resolve the course of action to be adopted by the Company, i.e. whether the information should or should not be disclosed to ASX or whether a trading halt should be requested by the Company; and
- (iv) communicate the Board's position on each of the above matters to the Disclosure Officer so that it can take the appropriate action.

The Board may also determine if the disclosed information should be released to the media.

(d) **Disclosure Officer may provide information to ASX without Board approval in exceptional circumstances**

In the event that an announcement must immediately be disclosed to ASX and all reasonable efforts have been made by the Disclosure Officer to have the announcement urgently considered and approved by the Board and such approval cannot be obtained, the Disclosure Officer may make an announcement to ASX so that the Company complies with its continuous disclosure obligations. The announcement must then be considered by the Board at the first possible opportunity following its release to determine what, if any, further steps are required so that the Company complies with its continuous disclosure obligations.

(e) **Procedures for release of information to ASX**

Where a decision is made to disclose information, the Board and the Disclosure Officer must ensure that the information disclosed is:

- (i) balanced, factual and accurate; and
- (ii) disclosed in accordance with the procedures set out in this policy.

In deciding whether to disclose specific information in a release to ASX, the Board and the Disclosure Officer must have regard to:

- (i) the disclosure obligations set out in the Corporations Act, the Companies Act and the Securities Act;
- (ii) this policy and its underlying principles;
- (iii) ASX Guidance Note 8 – Continuous Disclosure; and
- (iv) information previously disclosed by the Company to ASX, including profit expectations, commentary on likely results and detailed business plans or strategies.

The Company has a duty not to disclose information in a way that could mislead the market. When approving an announcement to the market, care must be taken by the Board and the Disclosure Officer, that the content of the announcement accurately discloses the material information.

(f) **Effecting disclosure to ASX**

The Disclosure Officer will be responsible for all communications with ASX and any other relevant stock exchange in accordance with applicable laws, listing rules and regulations. Information should not be provided to any other person prior to receipt of notification from ASX confirming release of the information to the market.

After an acknowledgment has been received from ASX, information disclosed in compliance with this policy should be promptly placed on the Company's website.

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9. Authorised spokespersons

9.1 Identity of Authorised Spokespersons

The Disclosure Officer will appoint Authorised Spokespersons of the Company from time to time. The number of Authorised Spokespersons of the Company must be kept to a minimum to avoid inconsistent communications and reduce the risk of material information being inadvertently disclosed to the market.

9.2 Employees and associated parties

No employee or associated party of the Company (such as consultants, advisers, lawyers, accountants, auditors, etc.) is permitted to comment publicly on matters confidential to the Company.

All employees and associated parties must be aware of their obligation to keep non-public company information confidential.

In some circumstances, employees and associated parties of the Company may be asked to sign confidentiality agreements.

9.3 Procedure for comment by Authorised Spokespersons

The Disclosure Officer must approve the content of all public comments proposed to be made by any Authorised Spokesperson.

10. Dealing with outsiders

10.1 Background

The Corporations Act makes it unlawful to deal in the securities (including shares) of the Company while in possession of Price Sensitive Information that has not been disclosed. The Companies Act contains a similar provision relating to the purchase by the Company of its own shares. Section 8 of this policy sets out the general guidelines for how the Company's authorised agents should conduct themselves in providing information about the Company to external third parties.

10.2 Media

No representative of the Company will provide 'exclusive' interviews, stories or information to the media that contains material or Price Sensitive Information before that information has been disclosed to the market.

Where the Disclosure Officer considers it appropriate, the media may be invited to participate in the Company presentations to investors and analysts.

Press releases should be honest, fair and consistent with the terms of this policy.

10.3 Analysts

(a) One-on-one and group briefings

The Company does not permit selective disclosure of material or Price Sensitive Information. All investors are to be treated in a balanced and fair fashion. One-on-one and group briefings between the Company and investors or analysts must be restricted to discussion of previously disclosed information.

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If you are proposing to present material information to analysts, professional bodies, the media, customers or any other person, you should ensure copies of the material are provided to, and approved by, the Disclosure Officer prior to presenting that information externally. The Disclosure Officer should be present at all one-on-one and group briefings to ensure that no undisclosed Price Sensitive Information is discussed.

Where it is not possible for the Disclosure Officer to attend a one-on-one or group briefing:

- (i) the Disclosure Officer must be fully briefed immediately after that briefing to determine whether any Price Sensitive Information may have been inadvertently disclosed; and
- (ii) where any executive, Director, consultant or employee of the Company who participated in that briefing considers that a matter was raised that might constitute a previously undisclosed price-sensitive matter, they must immediately refer that matter to the Disclosure Officer.

If the Disclosure Officer considers that Price Sensitive Information was inadvertently disclosed at a briefing, the Company must immediately release that information to ASX.

Information provided to analysts and investors during a one-on-one or group briefing (such as slides) must be provided to ASX for release to the market and posted on the Company's website as soon as practical to ensure all shareholders and investors have equal access to the Company information.

(b) Procedure for dealing with analyst, shareholder and investor queries

In responding to analyst, shareholder and investor queries, an Authorised Spokesperson must:

- (i) only discuss information that has been publicly released;
- (ii) ensure all responses are balanced, factual and truthful; and
- (iii) confine comments on market analyst's financial projections to errors in factual information or underlying assumptions.

Where an analyst, shareholder or investor query can only be answered by disclosing Price Sensitive Information, the Company's Authorised Spokesperson must decline to answer that query. He or she should then refer the query to the Disclosure Officer so a formal decision can be made as to whether or not it is appropriate for the Company to disclose information relevant to that query.

(c) Analyst reports, rumours, leaks and forecasts

The Company's general policy is not to respond to reports or rumours published by analysts, fund managers or reporters. From time to time, however, it may be necessary to respond to unauthorised disclosure of information or market rumours concerning the Company if the information or rumours are material. All instances of unauthorised or selective disclosures should be reported to the Disclosure Officer as soon as they become known. The Company should be able to determine whether any correcting statement should be issued and to respond to requests by ASX.

Where the Disclosure Officer resolves that the Company should comment on a report prepared by an analyst, the Company's comment must be restricted to

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information that the Company has publicly disclosed or information that is in the public domain.

The Company must not comment on analyst forecasts regarding earnings projections for the Company except:

- (i) where a forecast differs significantly from the Company's published earnings projections (if relevant); or
- (ii) to correct any factual errors relating to publicly issued information and company statements.

The Company should not endorse, or be seen to endorse, analyst reports or the information they contain. The Company should not:

- (iii) externally distribute individual analyst projections or reports;
- (iv) refer to individual analyst recommendations on its website; or
- (v) selectively refer, or publicly comment on individual analyst recommendations or proprietary research (except where necessary to correct a factual error in accordance with the disclosure policy).

Where the Company becomes aware that the market's earnings projections on the Company differ significantly from the Company's published earnings projections or own earnings estimates, the Company should issue a profit warning or company statement, if considered necessary by the Disclosure Officer, to avoid a false market.

10.4 Market speculation

ASX interprets Listing Rule 3.1 as requiring the Company to make clarifying statements or announcements to ASX in circumstances where the Company becomes aware that speculation or comment is affecting the price or volume of trading in the Company securities (this is one reason why maintaining the confidentiality of confidential information is so important for the Company).

The Company should not comment on market speculation and rumour unless:

- (a) media comment or speculation becomes reasonably specific;
- (b) there are factual errors contained in the speculation or rumour that could materially affect the Company;
- (c) there is a move in the price of the Company securities which is reasonably referable (in the opinion of the Disclosure Officer) to the speculation or rumour; or
- (d) the Company receives a formal request from ASX or a regulator.

Any comments made by the Company in response to market speculation and rumour must be authorised by the Disclosure Officer and must be limited to correcting factual errors.

10.5 Release of information by the Company

To ensure the Company approaches its continuous disclosure obligations consistently, and information is not released publicly prior to disclosure to ASIC or ASX or as required under the Corporations Act, the Companies Act or the Securities Act, it is important:

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- (a) no one other than the Disclosure Officer releases information to, or communicates with, ASIC or ASX, or as required under the Corporations Act, the Companies Act or the Securities Act, unless specifically authorised to do so by the Board. This includes responding to market rumours, leaks of sensitive information and inadvertent disclosures; and
- (b) any employee proposing to disclose information about the Company publicly, such as at a private meeting, must:
 - (i) inform the Disclosure Officer of the information to be disclosed, to ensure that the Company's disclosure obligations are not breached;
 - (ii) provide the Disclosure Officer with a copy of any presentation slides or other documents to be used, for timely release to ASX and posting on the website (as appropriate);
 - (iii) only discuss information that has been released to ASX or is not of a material nature;
 - (iv) decline to respond to, or take notice of, any question the answer to which would require disclosure of material sensitive information until the information has been disclosed to ASX; and
 - (v) particularly in discussions with analysts, not comment on any financial projections other than to correct errors in publicly available factual information and underlying assumptions.

The Disclosure Officer, in consultation with the Board, may impose periods of time in which employees of the Company may not make any presentations externally without specific permission of the Disclosure Officer.

The Company is committed to ensuring that a false market is not created in respect of the Company securities. The Company has a positive obligation to make such disclosure as is necessary in order to prevent a false market in the Company's securities and ensure investors are not trading on false or misleading information.

11. Communications

11.1 Shareholder communication

It is vital the Company keeps its shareholders informed of its activities, its financial status and its strategy. The Company should communicate effectively with shareholders and make all company information understandable and accessible. The Company is firmly committed to encouraging and facilitating shareholder communication with the Company and endeavours to ensure this is made as simple and effective as possible for shareholders.

Annexure 3 sets out the Code of Conduct – Obligations to Stakeholders that all executives, officers, employees and contractors must comply with. Note that Annexure 3 should be read in conjunction with Chapter 3 of the ASX Listing Rules, which sets out specific communications requirements.

The Board aims to ensure that shareholders are kept informed of all major developments affecting the Company. Examples of ways in which information is communicated to shareholders are:

- (a) through the distribution of the annual report to all shareholders, unless a shareholder has specifically requested not to receive the document;

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- (b) through making available on the Company's website and the Company's annual report;
- (c) releases made to ASX by the Company throughout the year with respect to changes in the business, future developments, and other pertinent issues, all of which are available on the Company's website;
- (d) in the Chairman's address delivered at the annual general meeting; and
- (e) shareholder update documents periodically distributed to all shareholders.

11.2 Website⁴

To ensure information relevant to the Company is readily available to shareholders, investors and stakeholders, the Company will provide the following information on its website <http://www.bcl.com.pg/>:

- (a) a corporate governance section, which contains all of the Company's corporate governance policies located in the investors section on the company website: <http://www.bcl.com.pg/investors-2/legal/>
- (b) a company announcements section, which contains all company announcements made to ASX, including full text of notices of meeting and explanatory material located in the investors section on the company website: <http://www.bcl.com.pg/investors-2/company-announcements-2/>
- (c) Provide a 'contact us' telephone number on the website to facilitate the prompt response to shareholder queries and concerns located in the contacts section on the company website: <http://www.bcl.com.pg/contact-3/>
- (d) an annual reports and results section, which contains the Company's annual reports and result announcements located in the investors section on the company website: <http://www.bcl.com.pg/investors-2/results-reports/>
- (e) a news section, which contains media releases, including newspaper articles, about the Company located in the investors section on the company website: <http://www.bcl.com.pg/investors-2/company-announcements-2/>
- (f) company profile ; and
- (g) all material written information provided to investors or stockbroking analysts located in the investors section on the company website: <http://www.bcl.com.pg/investors-2/charters-important-documents/>

All information posted on the Company's website which relates to any of the matters discussed above must be approved by the Disclosure Officer and must be regularly reviewed and updated to ensure accuracy and relevance.

11.3 Telephone

The Company will make available a telephone number for shareholders and investors generally, to make enquiries regarding the Company.

⁴ Please refer to section 5.2: Release of information to the public.

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11.4 Communications at general meetings

The Company recognises the rights of shareholders and encourages the effective exercise of those rights through the following means:

- (a) notice of meetings are distributed or made available by electronic means to shareholders in accordance with the provisions of the Companies Act and the Company's constitution;
- (b) shareholders are encouraged to use their attendance at meetings to ask questions on any relevant matters, with time being specifically set aside for shareholder questions; and
- (c) notice of meetings encourage participation in voting on proposed resolutions by lodgement of proxies, if shareholders are unable to attend the meetings.

11.5 Publications and other communications

Where approved by the Disclosure Officer, the Company may issue company statements or publications regarding previously disclosed information, including:

- (a) press release;
- (b) fact books and other corporate publications;
- (c) publication on the Company's website; and
- (d) broadcast via e-mail and/or fax to the Company's shareholders, institutional investors and other key stakeholders.

12. Trading halts

ASX requires the Company to consider whether a trading halt or suspension of quotation of securities is appropriate where it is not in a position to make an announcement under Listing Rule 3.1 to ASX straight away (or where the market is not trading, it will not be in a position to give an announcement to ASX before trading next resumes). Such delays may arise where:

- (a) the Company considers the announcement to be so significant that it ought to be approved by its Board before it is released to the market but due to the availability of Directors, the Board meeting is not able to be held promptly and without delay; or
- (b) the situation is uncertain and evolving but is likely to resolve itself within a relatively short period of time (in the case of a trading halt, within two trading days) and the Company considers it would be better for the announcement to be delayed until there is greater certainty or clarity around the outcome.

Where the Company is expected to act quickly but the Company may not be able to make an announcement to ASX straight away, ASX considers that a trading halt or suspension of quotation of securities may be required in the following scenarios:

- (c) confidential information about the Company is inadvertently made public and further time is required to enable the Company to prepare an appropriate public announcement;
- (d) there are indications that information has leaked ahead of an announcement and its having (or when the market is not trading, is likely to have when the market

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resumes trading) a material effect on the market price or trading volumes of the Company securities;

- (e) the Company is preparing to make a major company announcement and is concerned to prevent speculative or insider trading (for example, where the Company plans to announce a joint venture enterprise or profit warning);
- (f) the Company has been asked by ASX to correct or prevent a false market; or
- (g) the information is especially damaging and is likely to have caused a significant fall in the market price of the Company's securities (for example, information that the Company Board has resolved to appoint an administrator or that a lender has declared an event of default and appointed a receiver).

ASX may impose a trading halt or suspension in the interest of ensuring the market is trading on an informed basis. Generally, the Company will determine whether it requires a trading halt after assessing whether particular information is in fact market sensitive (and so requires disclosure under Listing Rule 3.1) and whether it is able to give the required announcement to ASX promptly and without delay. **Only the Board is authorised to request a trading halt or suspension of quotation of the Company securities.**

13. Maintenance and promotion of policy

13.1 Annual review

The Disclosure Officer must review the Company's continuous disclosure policy and procedures on an annual basis to determine whether they are effective in ensuring accurate, balanced and timely disclosure in accordance with the Company's disclosure obligations.

The Company encourages all of its executives, officers and employees to actively consider the Company's disclosure obligations and offer suggestions as to how to improve the Company's continuous disclosure policy and procedures to the Disclosure Officer.

13.2 Training and internal compliance

(a) Training

As part of the Company's commitment to its continuous disclosure obligations all Directors, executives, officers and employees of the Company must:

- (i) be issued with a copy of the Company's continuous disclosure policy and procedure;
- (ii) accept the terms of this policy, including the obligation imposed upon them to keep non-public company information confidential, as a condition of their employment or office; and
- (iii) attend training programs (both as part of their general induction training and as part of the Company's continuous training programs) to ensure that each is aware of the Company's continuous disclosure obligations and the terms of the Company's continuous policy and procedures.

(b) Consequences of a breach of this policy

Failure of a Director, consultant or employee of the Company to comply with this policy may lead to disciplinary action being taken, including dismissal or removal in serious cases.

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14. Contact

Any Director, employee or officer of the Company, who is uncertain as to whether certain information should be disclosed, should immediately contact the Disclosure Officer.

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Annexure 1 Guidelines – Price Sensitive Information

IMPORTANT NOTE: This Annexure 1 should be considered in conjunction with the specific disclosure requirements set out under Chapter 3 of the ASX Listing Rules.

Examples of Price Sensitive Information that might need to be disclosed include the following:

- (a) results (anticipated or otherwise) from the activities of the Company;
- (b) a new contract that has been entered into or a variation to an existing contract. In certain circumstances it may even be necessary to disclose the existence of negotiations surrounding the entry into or variation of a contract, should these negotiations no longer be confidential;
- (c) a transaction that will lead to a significant change in the nature or scale of the Company's activities;
- (d) a material acquisition or disposal;
- (e) any event which could materially affect the Company's earnings or profitability such as:
 - (i) litigation being commenced by or against the Company (e.g. because of an alleged breach of contract);
 - (ii) industrial action being threatened or commenced; or
 - (iii) significant unbudgeted capital expenditure commitments arising;
- (f) a change in the Company's financial forecast or expectation. As a general policy, a 5% to 10% change may be considered material, any change greater than 10% will ordinarily be considered material. Further, if the Company has not made a forecast, a similar variation from the previous corresponding period will need to be disclosed;
- (g) the granting or withdrawal of a material licence;
- (h) the entry into, variation, or termination of a material agreement;
- (i) the appointment of a receiver, manager, liquidator or administrator to a company that the Company or one of its subsidiaries has provided a loan, trade credit or other form of financial accommodation;
- (j) a transaction for which the consideration payable or receivable is a significant proportion of the written down value of the Company's consolidated assets. Normally, an amount of 5% or more would be significant, but a small amount may be significant in a particular case;
- (k) a recommendation or declaration of a dividend or distribution or a recommendation or decision that a dividend or distribution will not be declared;
- (l) under subscriptions or over subscriptions to an issue;
- (m) a copy of any document that is lodged with an overseas stock exchange or other regulator which is available to the public. The copy given to ASX must be in English;
- (n) giving or receiving a notice of intention to make a takeover or enter into a scheme of arrangement; and

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- (o) an agreement between the Company (or a related party or subsidiary) and a Director of the Company (or a related party of the Director).

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Annexure 2 Disclosure Officer - Terms of Reference

1. Powers and responsibilities of Disclosure Officer

- (a) To establish procedures for the mandatory notification to the Disclosure Officer of:
- (i) information that may be required to be disclosed pursuant to law (domestic or foreign) or the rules of any securities or other exchange in which the Company is a participant; or
 - (ii) information that may be desirable to disclose having regard to considerations of social responsibility or reputational risk,
- being, for the purposes of these Terms of Reference, **disclosable information**.
- (b) To formulate and recommend to the Board, changes to the Company's continuous disclosure policy and procedures, having regard to changes in applicable law, legal obligations arising through participation in relevant markets and evolving corporate governance standards.

2. Regulations

- (a) The appointment to the position of Disclosure Officer is as determined from time to time by the Board.
- (b) The Disclosure Officer is accountable to the Board and will dedicate sufficient time to effectively administer the continuous disclosure policy and exercise the powers and discharge the responsibilities conferred by these Terms of Reference.
- (c) The Disclosure Officer is competent to transact the affairs of the Disclosure Officer. In transacting its affairs, the Disclosure Officer may consult with such advisers as it considers appropriate, including the Company's external legal advisers.
- (d) The Disclosure Officer may delegate aspects of administering the Company's continuous disclosure policy and procedures to other Company employees, including to any disclosure officer that the Company is required to appoint in order to comply with applicable ASX Listing Rules. That delegation may be general or specific to a particular matter.
- (e) The Disclosure Officer will keep records of all disclosable information, including material that has been disclosed to the ASX (with a copy of each announcement to the ASX) and potentially price sensitive information that has come to the attention of the Disclosure Officer and has not been disclosed to the ASX, together with the reasons for that non-disclosure.
- (f) The Disclosure Officer may from time to time adopt such other rules and regulations as it considers appropriate for the conduct of its affairs and incorporate those rules and regulations into the Company's continuous disclosure policy and procedures. Such other rules and regulations must not be inconsistent with the constitution of the Company, these terms of reference, the ASX Listing Rules, the Corporations Act, the Companies Act or the Securities Act.

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Annexure 3 Bougainville Copper Ltd Code of Conduct

Code of Conduct Policy

Bougainville Copper Limited's (BCL or company) Code of Conduct reflects what it stands for as a company. It makes clear how the BCL team (directors, employees and contractors) behave according to its values of respect, integrity, teamwork and accountability.

The Board and Management is tasked with ensuring that they and the rest of the team live by company values of acting with integrity and honesty, continuously pursuing high performance and working effectively together in addressing and managing business risks in a sustainable and proper way and caring about people.

BCL values are encapsulated in its Code of Conduct which acts as a road map for the way it and the team do business as a company and individuals.

1. Commitment to the Code

- (a) BCL is committed to conducting business in an honest and fair manner and to a high ethical standard and aims to deal with all stakeholders in an open and transparent manner. The quality of its employees and its professional reputation and market image developed from their work is something that BCL prides itself on.
- (b) The code of conduct represents the high standard of professional conduct and ethics that BCL requires of its team when dealing with stakeholders and demonstrates commitment to observing all applicable Provincial and National Government and international laws. The Code applies to all directors, employees as well as BCL consultants, agents, contractors and suppliers (together referred as the team). Conduct that conflicts with this Code will be treated as serious.
- (c) BCL stakeholders are directors, employees, security holders, shareholders, investors, creditors, suppliers, contractors, consultants, governmental and non-governmental organisations, the communities where BCL operates and other parties that have an interest in or are influenced by BCL.

2. Responsibilities

- (a) When dealing with shareholders, governments and the financial community, the BCL team will conduct itself in accordance with this Code, the provisions of the Corporations Acts, the Companies Act, the Securities Act, BCL constitution, ASX Listing Rules and all other applicable legislation, regulations and rules.
- (b) BCL will keep shareholders informed of its activities, BCL financial status and strategy. BCL is committed to delivering value for shareholders and treating shareholders equally.
- (c) BCL is firmly committed to encouraging and facilitating communication with its shareholders, stakeholders and the community and will endeavour to ensure this is made as simple and effective as possible and will disclose relevant information to shareholders and the ASX in a timely, full and fair manner.

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3. Employment practices

(a) **Employment and inclusion**

- (b) BCL aims to be an employer of choice. It recognises the importance of attracting, developing and retaining people with diverse backgrounds and talents in its business and realise the benefits of developing the skills of others. As reflected in its Diversity Policy, BCL is committed to ensuring a diverse mix of talent and skills amongst directors, officers and employees to enhance its financial performance.
- (c) BCL is committed to providing an environment in which employees have equal access to opportunities available at work, are treated with fairness and respect, have a sense of value and belonging and are not judged by reference to unlawful or irrelevant attributes and have genuine feelings of belonging across integrated workplace activities. Discrimination, bullying and harassment are not acceptable and allegations of an intimidating nature are taken extremely seriously.
- (d) Safe and respectful working relationships are a necessity. Executives and senior management are expected to display the highest standards of behaviour.

(e) **Health, Safety and Environment**

Through compliance with relevant laws and regulations and development and implementation of policies and standards, BCL aims to:

protect the physical and psychological health and wellbeing of employees;

provide a safe and hazard-free workplace;

respect the environment and where possible prevent or otherwise minimise, mitigate and remediate harmful effects that operations may have.

This is a shared responsibility and all employees are responsible for achieving these aims, working safely and adhering to BCL policies and standards. This includes being fit for work, which encompasses not possessing, consuming or being under the influence of alcohol or othedrugs while working on Company business or on a Company worksite.

Health, Safety and Environment policies have been adopted that assist in complying with applicable laws and regulations to achieve these aims.

(f) **Use of Company funds and resources**

- (i) Employees have a responsibility to approach everything they do for the Company with integrity. Cash and other assets of BCL must be applied sensibly and effectively and not misused. Company funds, property, equipment or other resources are not to be used for personal gain.
- (ii) Expenditure must be reported accurately and in a timely manner. The Company will treat submission of a fraudulent expense report as serious misconduct.

(g) **Confidentiality**

BCL through its team will protect shareholders and employees by responsibly managing BCL and third parties' confidential information. Confidential information may not be used for personal advantage shared or with those with no right to such information.

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Employees are required to maintain the confidentiality of all commercial, proprietary and other information that is confidential information to the Company.

Information concerning business activities, results or plans that are not publicly available must only be used for authorised purposes.

(h) Insider trading

Inside information shall not be shared with anyone including family and friends, nor used by employees to trade in BCL or other relevant securities.

Employees who have information that is not in the public domain and is considered material in terms of the market value of BCL securities must not share that information with others or advise, procure or encourage others to deal in Company securities. Information is considered material if a person could use that information to make a decision to trade in the shares of the Company when the information is not in the public domain.

(i) Conflicts of interest

While conflicts of interest should be avoided wherever possible, conflicts will sometimes happen and will need to be managed.

(j) Directors and employees must recognise the importance of avoiding conflicts between the interests of the Company and their own personal, professional or financial interests.

(k) In order to avoid conflicts of interest, Directors and employees must comply with the following obligations:

(i) exercise their powers and discharge their duties to the Company
with care and due diligence;

(ii) in good faith;

(iii) in the best interests of the Company;

(iv) for a proper purpose;

(v) avoiding material personal interests.

(l) not improperly use their position or information obtained from their position to gain an advantage (or to avoid a disadvantage) for themselves or another person or associated entity;

(m) ensure that appropriate disclosure of conflicts of interest occurs so that, where required, Directors may consider the impact of any conflict of interest before making decisions;

(n) ensure that when discharging their duties, they do not cause the Company to breach any laws;

(o) ensure that when discharging their duties, they do not cause the Company to breach its contractual responsibilities to avoid conflicts of interest; and

(p) ensure that when discharging their duties, they do not cause the Company to breach its Constitution.

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4. Fair trading and dealing

(a) Anticompetitive behaviour and agreements with competitors

BCL believes in free and effective competition and to compete fairly, ethically and lawfully in all of its activities. BCL respects the competition and antitrust laws that are in force in the jurisdictions in which it operates.

Employees must not engage in anticompetitive conduct and must not illegally obtain competitive information, share confidential information or communicate false information regarding competitors or potential competitors.

Agreements, contracts or understandings with competitors that are likely to substantially lessen competition in the market are prohibited as are discussions with competitors regarding any of these potential agreements. These include exclusive dealing, cartels, price fixing, collective bargaining and boycotts and misuse of market power.

(b) Bribes and gifts

Employees must not commit, or become involved in, bribery or corruption of any form. They must provide personal advantage to any person in order to secure business BCL.

Employees must not use their position to demand or receive benefits from external parties and must exercise caution when giving or receiving business-related gifts or benefits. Particular caution must be had where the gift or benefit is offered when negotiations to enter an agreement are on foot, as this may influence, or be seen to influence, the outcome of a decision.

5. Responsibilities to the community

(a) Communities

The history of the Panguna mine highlights the critical importance of effective, two-way community engagement.

BCL is committed to sustainable development which means contributing to the long-term development of its host communities, the Autonomous Region of Bougainville and Papua New Guinea.

The team aims to build enduring relationships with key stakeholders, including landowners, ex-combatants, women's groups and the Autonomous Bougainville Government, that are characterised by mutual respect, active partnership and long term commitment.

Good performance requires all the BCL team to accept responsibility for effective, trust-based community relationships.

BCL respects and will integrate local community requirements in community plans, and within broader business plans.

Mutual respect depends on understanding of the issues that are important to community stakeholders, and their understanding of what is important to BCL.

BCL communities and environment work is closely coordinated and takes account of peoples' perceptions of the effects and consequences of BCL activities.

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BCL promotes active partnerships at international, national, regional and local levels. This commitment is based on mutual trust and openness.

BCL relationships with communities will involve continuous consultation

BCL will support community projects, regional development, training and employment and small business opportunities, health, education and agricultural programmes, individually and in collaboration with others.

(b) Environment

BCL is committed to protecting the environmental values of the region in which it operates. BCL will comply with all relevant environmental laws and regulations and continually work to mitigate the impacts its activities and products may have on the environment. BCL will engage with local communities and other stakeholders in the region in which it operates in order to manage and monitor its impact.

(c) Support for the community

BCL will work with governments to share the economic benefits of developing mineral resources with the communities in which it operates. This may include government requirements to support local employment.

(d) Human rights

BCL respect human rights, supports the United Nations' Universal Declaration of Human Rights and respects those rights wherever it operate.

BCL will take measures to prevent its involvement in human rights harm through its business relationships and reject any form of slavery and child labour.

BCL will work with public and private security providers to avoid security arrangements that cause or contribute to human rights violations.

6. Dealing with government officials

BCL has both the National Government of PNG and the Autonomous Bougainville Government as major shareholders.

BCL also has both Governments, particularly the Autonomous Bougainville Government, as its law maker and regulator.

It is critical that BCL, the National Government of PNG and the Autonomous Bougainville Government clearly understand the complex relationship and that there is no conflict of interest in discharging their respective obligations.

Employees must exercise caution in dealings with government officials and must know and understand government policies and laws that regulate this conduct in the jurisdictions in which they operate. For example, whether a government official is legally allowed to receive a personal benefit should be understood before that government official is given a gift.

BCL has meritocratic recruitment process and when considering the appointment of government officials to a company position, care is taken to avoid the perception that the appointment was made for an improper purpose, for example, to gain favours.

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7. Privacy and information collection

- (a) BCL will respect each person's privacy and comply with all laws in the collection, use and storage of personal information in connection with its business.

BCL will collect and handle the personal information of employees, shareholders, business partners, suppliers, customers and associated family or next of kin when needed for legitimate business purposes. Personal information can be reviewed and updated upon request.

Personal information is only shared on a need to know basis and other legitimate business reasons in compliance with the law.

Employees are prohibited from improper access and use of information held by BCL, contractors and competitors.

8. International compliance

BCL will operate in compliance with local laws and regulations of the jurisdictions in which it operates and other relevant jurisdictions. Employees are expected to know and follow the laws of the relevant jurisdictions where the Company operates.

9. Monitoring compliance with the Code

Each employee is responsible for promoting the Code and each has a responsibility to report violations of it to the Company.

BCL has established a system for reporting violations of any of the Company policies and the Code, as well as any suspected misconduct by any employee or representative of the Company. This may be done in writing to the Company Secretary.

BCL will take appropriate action on any reported violations and will not permit any form of retribution against any person who in good faith reports known or suspected violations of the Code or any other Company policy.

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