

# Annual General Meeting

# 2017



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# Overview



## Key Milestones

- ✓ Hired Bougainville manager and local project team
- ✓ Opened office in Buka
- ✓ First board meeting in Bougainville in over 27 years
- ✓ New board appointments
- ✓ Settlement of 1990/91 landowner compensation





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## Notable Challenges

- Competitors undermining BCL position
- Decision not to grant extension of EL1
- Ongoing court proceedings – Judicial Review
- Mining reservation over tenement area



# Financial Results



## *Year Ended December 31, 2017*

- ❑ Loss after tax K7.30m – (budgeted K15.2 m)
- ❑ Income K7.63m – (includes sale of investments)
- ❑ Operating expenses K14.83m – (2016: K11.52m)
- ❑ Company remains debt free



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## Liquid and Total Assets

- ❑ Investments K119.02m (Australian listed equities)
- ❑ **'Available for sale assets'** – K12.00m
- ❑ Cash and equivalents K2.51m
- ❑ Total assets K136.56m

# Tenure – Exploration Licence (EL1)



- Applied for extension (July 2016)
- Renewal application obligations met (January 2017)
- **Mining Warden's Hearing** (December 2017)
- Decision not to grant extension (January 2018)
- Judicial Review process (Ongoing)
  - Rights held until matter determined

# Community Engagement



❑ Bougainville  
Chocolate  
Festival

❑ National Boxing  
Championships



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# Bougainville Update

- ❑ Referendum an increasing focus
- ❑ Maintaining social harmony – factor in EL1 decision
- ❑ The ABG explores economic opportunities
- ❑ Panguna redevelopment can help realise potential
- ❑ BCL committed to positive/constructive engagement

# Bougainville Copper Board



- August 2017: Landmark board meeting in Bougainville
- October 2017: Melchior Togolo and Peter Graham appointed
- November 2017: Chairman Robert Burns advises of decision to retire
- February 2018: Mr Togolo accepts nomination of Chairman

# Shareholding

- ❑ State of PNG and ABG equal largest shareholders (each with 36.4%)
- ❑ PNG Prime Minister proposed to gift 17.4% to Bougainville people
- ❑ Final status of 17.4% yet to be resolved



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## 1990/91 Landowner Compensation

- ✓ Comprehensive process followed
- ✓ Excellent progress during 2017
- ✓ 2,123 payments totalling K14.6 million to landowners and families
- ✓ 96% of payments now made

# Bougainville Copper Foundation (BCF)

- ❑ Wholly-owned subsidiary of BCL
- ❑ Sponsor 15 new students in 2018
- ❑ 34 existing students continuing
- ❑ BCF has limited liquid assets – supported through BCL loan account



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## Governance

- ASX compliance statement in Annual Report
- Charters and policies on web site
- Remuneration and Nominations Committee formed

### *Health and Safety*

- Strong emphasis on workplace risk management
  - ie travel planning and incident reporting

# Conclusion & Looking Ahead

- Further challenges ahead
- Pursue tenure in shareholder interest
- Committed to constructive engagement
- Persist for the right reasons
- ✓ Promote BCL as most credible developer of Panguna



*Shareholder updates will be posted on web site and via ASX*



# Questions