



BOUGAINVILLE
COPPER LIMITED

Notice to ASX - BOC

5 May 2022

Annual General Meeting 5 May 2022
Bougainville Copper Limited

The following was presented at the Annual General Meeting held in Port Moresby, Papua New Guinea, and broadcast online via the meetnow.global shareholder portal today.

This presentation has been posted on the Bougainville Copper website www.bcl.com.pg in the “Latest News” tab.

By order of the Board



Mark Hitchcock
Company Secretary

Telephone: (675) 309 2800

Postal Address: P O Box 1274, Port Moresby, Papua New Guinea

Registered Office: Level 5, BSP Haus, Harbour City, Lot 2 on Allotment 34, Section 44, Granville, Port Moresby, NCD

Incorporated in Papua New Guinea A.R.B.N 007 497 869



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<https://www.facebook.com/BougainvilleCopper>



Chairman's Address

2022 Annual General Meeting

Bougainville Copper Limited

5th May 2022

AGM Welcome

On behalf of the board and management, I welcome you to the 2022 Annual General Meeting (AGM) of Bougainville Copper Limited.

The AGM provides an opportunity for me to make a statement regarding the affairs of the Company, including the latest financial results.

Copies of this statement are available here in the room and for those joining us online, it will also be made available on the Company web site and Facebook page.

Overview

The Coronavirus pandemic again presented significant operational challenges for the Company during 2021, including restrictions on travel and mobility and periods of lockdown. These were of course not unique to Bougainville Copper and notwithstanding we continued our program of community engagement in Bougainville and through the work of our locally based project team again provided support for a range of worthy causes.

Importantly, the Company continues to enjoy positive and collaborative relationships with landowners from the project area. We greatly value these relationships as they help to underpin the enduring trust that we want to see.

We are also pleased to have maintained a solid level of dialogue with the Autonomous Bougainville Government (ABG), including President Ishmael Toroama, on issues of mutual interest. For example, the Company constructively engaged with the ABG – as a major shareholder – in respect to nominations for Board appointments.

This process resulted in the appointments last November of two additional local directors in Mr James Rutana and Mr Kearnneth Nanei, who bring more than 40 years combined experience across business and government in Bougainville to the Board.

The ABG more broadly continued its formal discussions with the PNG national government regarding Bougainville's historic 2019 referendum when 97.7 per cent voted for independence. The governments have agreed to formalise a political outcome no earlier than 2025 and no later than 2027. This will need to be ratified by the national parliament.

Following the referendum, the ABG has also continued to sharpen its focus on investment opportunities that may help support greater levels of economic self-reliance in the future. The redevelopment of the Panguna mine forms an important part of these considerations.



Of significance to our Company, the ABG in February facilitated a summit involving the five major clans of the Panguna area (the Basikang, Kurabang, Bakoringu, Barapang and Mantaa clans). This resulted in a joint resolution signed by the Chiefs and representatives of the clans, to work cooperatively with the ABG towards the mine's reopening.

While this resolution is consistent with previous resolutions of support by customary landowners, it signals a new phase of ABG preparedness to actively plan for the mine's redevelopment. This is certainly a significant development in that it demonstrates that landowners and the ABG are unified in agreeing to work together to facilitate reopening. Bougainville Copper remains firmly committed to working in support of these ambitions.

It should however be noted that uncertainty persists with respect to the Company's EL1 exploration licence (covering Special Mining Lease 1 at Panguna). In January 2018 the ABG refused an application for the licence to be extended and Bougainville Copper was subsequently granted leave in the PNG National Court for a Judicial Review of the renewal application process. This is likely to proceed in 2022. As the application remains unresolved, the exploration licence is deemed to continue until a determination by the court or other resolution. The Company remains committed to taking all steps necessary to protect project tenure and has had dialogue with the ABG also during 2021 regarding this issue.

The ABG continues to hold a 36.4 per cent share in Bougainville Copper while the PNG national government remains committed to transferring its 36.4 per cent share in the Company to the ABG and people of Bougainville. This process is still to be completed. Mine-affected landowners would like to see 17.4 per cent of this shareholding distributed among their nine landowner associations.

Financial Results

For the year ending 31st December 2021, the Group recorded a loss of K6.1 million compared to a loss of K6.6 million in the previous year. Company expenditure during 2021 continued to be concentrated on tenure issues, stakeholder engagement and support for small-scale community projects and activities.

Bougainville Copper has total consolidated net assets of K128 million compared to K121 million the previous year with sufficient funds to cover planned recurrent expenditure in 2022 and remains debt free.

The Company will not pay a dividend.

Liquid & Total Assets

As of 31st December 2021, the Company's liquid assets included K126.1 million in Australian equity investments and K0.96 million in cash and equivalents. The fair valuation of the Company's equity investments increased by K12.9 million with realised gains on sales of investments for the year of K1.8 million. Equities are only sold when necessary to fund ongoing Company operations.

The Board

The appointments of Mr James Rutana and Mr Kearnneth Nanei as directors, further strengthens the Board. Mr Rutana is a well-respected Bougainvillean businessman who was also involved in the drafting of the Bougainville Constitution in 2002. Mr Nanei is a highly regarded legal professional who was appointed as Secretary and Principal Legal Adviser for



the ABG Department of Justice and Legal Services in 2010. Their appointments bring further layers of local knowledge and experience to the Board.

Environmental and Social Issues

Bougainville Copper supports an agreement reached in July 2021 by Rio Tinto and residents of mine-affected communities to identify and assess legacy issues associated with the Panguna mine. The Panguna Mine Legacy Impact Assessment will identify and assess actual and potential environmental and human rights impacts and develop recommendations for addressing them.

A multi-stakeholder committee, of which Bougainville Copper is one of 16 members, has been established in conjunction with the ABG, to oversee the legacy assessment. A tender process is currently being conducted to select a suitably qualified contractor to undertake the necessary work, which is expected to commence in mid-2022 and take 18 months.

The Assessment will be mostly funded by Rio Tinto with Bougainville Copper agreeing to contribute provided the final methodology is endorsed by the stakeholder committee, the work can be completed safely, and an appropriate funding mechanism is agreed. Following the assessment, Rio Tinto and the residents will further engage regarding long-term solutions to issues identified.

Governance

Bougainville Copper has governance reporting obligations to the Australian Securities Exchange (ASX). A statement on the Company's compliance with the ASX Corporate Governance Principles and Recommendations is contained in the Annual Report. The Company has also developed and complies with a comprehensive set of charters and policies which are available on the web site.

Health and Safety

Bougainville Copper believes a safe and healthy workforce is essential to the Company's success and sustainability and is committed to achieving zero harm. We continued to face challenges during 2021 from the Coronavirus pandemic and adhered to strict protocols in the interests of staff and stakeholder safety. Regular Covid-19 testing was conducted among staff and vaccines were made readily available. Offices were also temporarily closed when necessary and staff were able to work from home.

Community Engagement

The Company again provided community support for a range of activities in Bougainville, in areas such as education and training, water infrastructure, healthcare, sports and cultural events. It for example completed water supply projects in two villages and scoped other similar projects and again sponsored secondary school Standards Based Curriculum training with the ABG Department of Education and in other areas such as financial literacy for SMEs, poultry farming and sewing.

The Company also donated appliances to Buka General Hospital and sponsored various sporting activities and cultural events, including the Bougainville Secondary School Games and the Siwai Tourism Cultural Show.



Landowner Compensation

In February 2017, Bougainville Copper commenced a program for the payment of K14.6 million to 2,123 landowners in agreed compensation for the period March 1990 to March 1991. Since then, 98.5 per cent of payments to individual block holders have been made, and work is continuing to finalise the remainder.

Conclusion and Looking Ahead

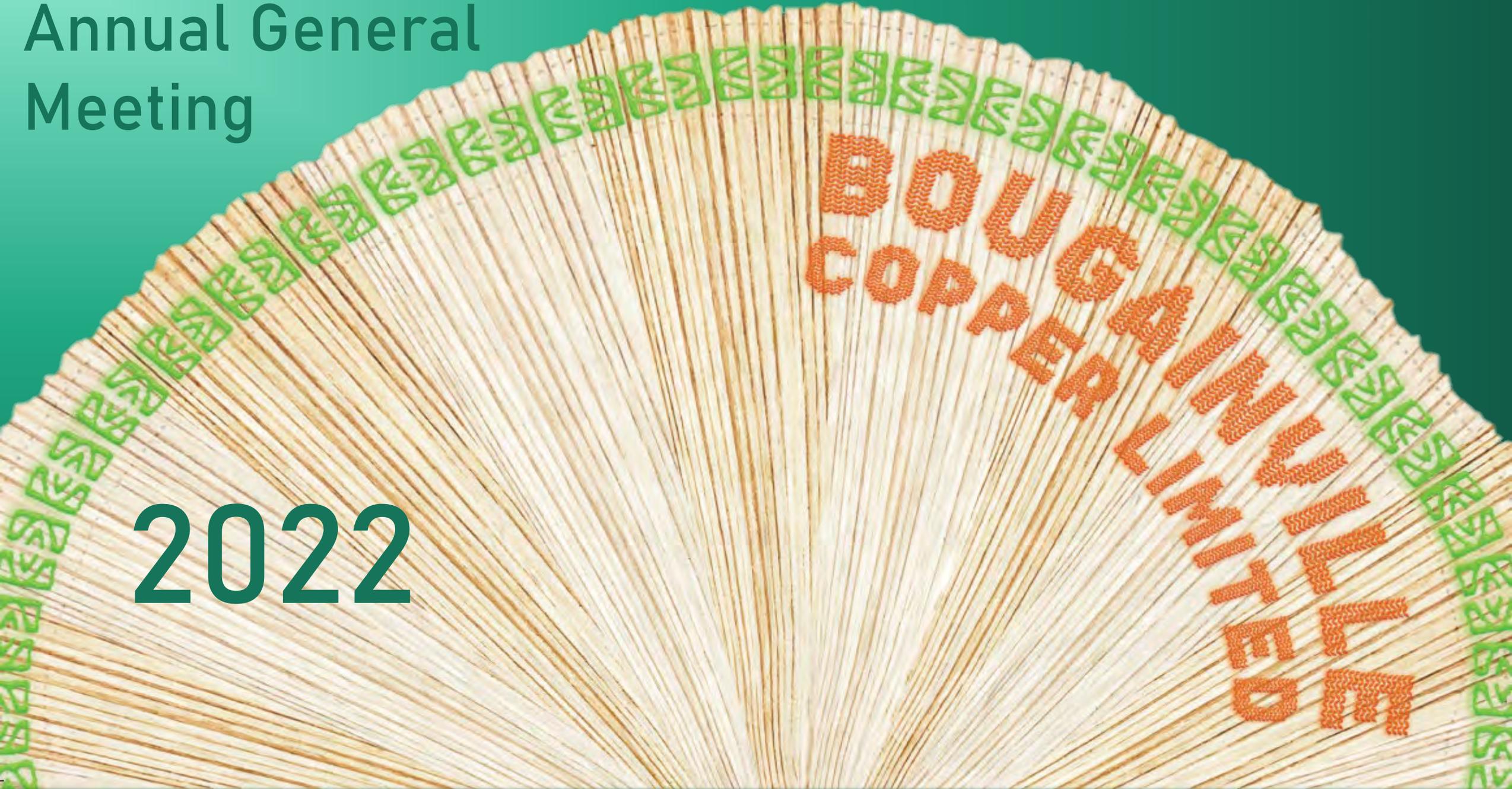
Like companies everywhere, the Coronavirus pandemic proved disruptive for Bougainville Copper in 2021 but at the same time we managed to make some incremental gains.

The Company entered the year with some cause for optimism and this persists given the renewed agreement between landowners and the ABG to work towards the reopening of the Panguna mine.

Notably, Bougainville Copper has consolidated its position as a local Bougainville and PNG company in which the people and government of Bougainville have a valuable stake. We therefore believe the case for the Company's involvement in the redevelopment of Panguna will only strengthen over the year ahead.

Annual General Meeting

2022





Overview

- Bougainville Copper remained active in Bougainville despite pandemic disruptions.
- The Company maintained positive relations with landowners and the ABG.
- Two new local directors appointed: Mr James Rutana and Mr. Kearnneth Nanei.
- ABG and PNG national government agree on referendum outcome timeframe.



Overview

- Panguna Mine major part of economic development considerations.
- Five major Panguna clans (Basikang, Kurabang, Bakuringu, Barapang and Mantaa) agree to work with the ABG towards mine's redevelopment.
- Judicial Review re EL1 renewal process ongoing in 2022.
- Mine-affected landowners have requested that PNG National Government's 17.4% shareholding be distributed to the landowners.



Financial Results

Year Ended December 31, 2021

- **Consolidated loss of K6.1 million (2020: K6.6m).**
- **Total consolidated net assets K128m.**
- **Company remains debt free.**
- **BCL will not pay a dividend.**

Liquid & Total Assets

- **Investments K126.1 m
(Australian listed equities).**
- **Cash and equivalents K0.96 m.**
- **Fair valuation of Company
investments increased K12.9 m.**
- **Realised gains on sales of
investments K1.8 m.**

The Board



Mr James Rutana and Mr Kearnneth Nanei, appointed on 25th November 2021

- **Both bring more than 40 years of combined experience in Bougainville across business and government.**
- **Mr. Rutana and Mr. Nanei were nominated by the ABG as a major shareholder.**



Pictured L-R; David Osikore, Sir Moi Avei, Kearnneth Nanei, Sir Melchio Togolo, James Rutana, Mark Hitchcock. Absent: Dame Carol Kidu, Sir Rabbie Namaliu

Environment & Social Issues

- Bougainville Copper Supports the Panguna Mine Legacy Impact Assessment – an agreement reached by Rio Tinto and residents of mine-affected communities.
- The Assessment will identify and assess actual and potential human rights impacts and develop recommendations for addressing them.
- A multi-stakeholder committee has been established in conjunction with the ABG to oversee legacy assessment

Governance & Risk Management

- ASX compliance statement in Annual Report
- Company charters and policies can be found on web site
- Board reviews quality of risk assessments and mitigation actions
- BCL adheres to the highest ethical standards

Health & Safety

Workplace safety essential to Company success and sustainability.

- Committed to achieving zero harm.
- Coronavirus protocols strongly adhered to.
- Staff vaccinations made readily available.



Community Engagement



Education

Arawa Secondary School Dux
Prize Winner



Financial Literacy Program



Women's Sewing

Community Engagement



Health

BCL COVID-19
Awareness



Sport

Arawa Touch Football



Culture

Siwai Cultural Festival

Landowner Compensation

- Program commenced in 2017 for the payment of K14.6 million to 2,123 landowners in agreed compensation for the period March 1990 to March 1991.
- 98.5 per cent of payments to individual block holders have now been made.
- Work is continuing to finalise remaining payments.

Conclusion & Looking ahead

- Bougainville Copper made gains in Bougainville despite pandemic disruptions.
- Cause for optimism with renewed agreement between the ABG and landowners to work toward Panguna mine reopening.
- Consolidated position as a local company.
- Case for involvement in mine's redevelopment will strengthen.

