



BOUGAINVILLE
COPPER LIMITED

Notice to ASX - BOC

2nd May 2024

Annual General Meeting 2nd May 2024
Bougainville Copper Limited

The attached Chairman's Address and PowerPoint presentation was delivered at the 2024 Annual General Meeting of Bougainville Copper Limited, held in Port Moresby, Papua New Guinea, and online via the meetnow.global shareholder portal today 2nd May 2024.

The Chairman's presentation has been posted on the Bougainville Copper website www.bcl.com.pg in the "Press Release" section under the "Media Center" tab.

By order of the Board

Johnny Auna
Company Secretary

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Chairman's Address

2024 Annual General Meeting

Bougainville Copper Limited

Thursday, 2nd May 2024

AGM Welcome

Firstly, on behalf of the board and management of Bougainville Copper Limited (BCL), I would like to welcome you all to our 2024 Annual General Meeting (AGM).

As chairman, it provides me with an opportunity to update you on the affairs of the company. It is quite an exciting time for BCL following the ABG's decision in February to grant a five-year extension of our EL01 (exploration licence) for the Panguna project area.

Then in March, we announced the appointments of David Osikore as Managing Director and CEO and Johnny Auna as Chief Financial Officer and Company Secretary. Both David and Johnny bring a wealth of experience to their respective roles and their leadership will be invaluable as the business enters an active phase of exploration and development planning. In parallel, we are also engaging external resources and expertise as necessary to ensure the technical, commercial, and financial requirements of the business are satisfied as project development planning intensifies.

At this point, I would also like to pay special tribute to Mark Hitchcock who has recently retired having been with BCL since April 2014 as Company Secretary and General Manager. Mark has provided outstanding leadership during challenging caretaker and transitional periods for BCL and for that we will always be grateful. We wish you Mark, every happiness in your retirement.

Overview

The ABG's decision to grant the five-year extension of EL01 was the culmination of a period of extensive dialogue between BCL and the ABG. Our mutual aim was to find an amicable resolution to what can only be described as a long-running tenure dispute.

Back in early 2018, the previous ABG had refused to extend the exploration licence, and since then, this decision has been the subject of Judicial Review proceedings in the PNG National Court. Separately, the company and the ABG worked constructively together from 2021 and throughout 2022 and 2023 with a view to resolving the matter outside the court. It is true that we have had to negotiate some difficult and complex issues, but through the commitment and goodwill of both parties we were able to make steady, yet significant progress.



In October last year, we confirmed that terms for a Deed of Settlement had been agreed and following the fulfilment of mutual undertakings the ABG announced the granting of the extension.

In response, BCL filed a notice with the court on 6th March 2024 for the discontinuance of the Judicial Review. We certainly appreciate the support and opportunity that the ABG – under the leadership of President Ishmael Toroama – has provided. As I have stated previously, these outcomes were the result of constructive collaboration, underpinned by mutual respect and a common goal to make Bougainville stronger economically, and to be able to support social and community development.

The redevelopment of Panguna is a fundamental priority of the ABG's forward agenda and as a company that, during recent years, has built a strong local identity, we are delighted to have been entrusted with the task of helping to move this critical project forward.

Significantly, the granting of the licence extension to BCL also has the support of landowner communities and veterans with notable alignment among various groups. This was reaffirmed during a week of successful stakeholder engagements led by the ABG in project area communities last month.

Having been in an effective holding pattern for several years, certainty of tenure provides impetus for us to intensify our activities both in the project area, in accordance with the *Bougainville Mining Act 2015*, and more broadly. It is, however, worth keeping in mind that the awarding of any future mining licence will be subject to a separate process.

Substantive work under the exploration licence will entail advanced stage pre-feasibility activities over the coming years. An essential element during this phase is the process of landowner identification and social mapping. In preparing for the work ahead, the company has developed plans to strengthen its capacity in support of restarting the mine. As mentioned earlier, this recalibration was signalled by the appointments of David and Johnny to key leadership positions. Both are highly respected Bougainvilleans with impeccable industry credentials and local connections across government, business, and the broader community.

David as MD and CEO is based in Buka to ensure the company has representation and visibility at the highest level in Bougainville. Meanwhile, Johnny is based in our corporate head office in Port Moresby, overseeing the company's financial operations and administrative obligations.

Financial Results

For the year ended 31st December 2023, the group recorded a loss of K8.3 million compared to a loss of K6.9 million in the previous year, due largely to increased activities. Company expenditure was concentrated on securing tenure, stakeholder engagement, support for small-scale community projects, and exploration readiness.



Despite having posted a loss for 2023, BCL remains financially strong with total consolidated assets of K107 million and net assets of K96.14 million compared to K98.25 million the previous year. The company remains debt free. The company will not pay a dividend.

Liquid Assets

BCL's financial assets are cash and Australian equities. Income from interest and dividends in 2023 was K3.5 million compared to K4.0 million in the previous year. Investments in Australian listed securities totalled K101.9 million as of 31st December 2023. The fair value of investments increased by K6.2 million, compared to a decrease of K22.7 million in the previous year amid volatility in global share markets.

Realised gains on sales of investments for the year of K3.8 million are not recorded in the income statement but are reported by a transfer directly to retained earnings in shareholder funds. Equities are only sold when necessary to help fund ongoing operations.

Shareholdings

The PNG National Government remains committed to the transfer of the Independent State of PNG's 36.4 per cent shareholding in Bougainville Copper Limited to the ABG and people of Bougainville. It has fulfilled the necessary requirements for this to occur, however, the transfer is yet to be completed as the ABG is exploring arrangements whereby a suitable entity receives the shares free from stamp duty charges.

Once the transfer occurs the ABG and people of Bougainville will be for the first time, BCL's majority shareholder with a 72.8 per cent share in the company. The overall composition of the BCL board appropriately reflects our local corporate identity, with five of seven directors or 70 per cent being Bougainvilleans.

Legacy Impact Assessment

The company welcomes the continued progress of the Panguna Mine Legacy Impact Assessment (PMLIA). The third and final round of extensive field investigations under Phase 1 of the Panguna Mine Legacy Impact Assessment (PMLIA) was recently completed. The data and findings are expected to be presented to the PMLIA Oversight Committee in mid-2024.

The work, which was conducted by global consulting firm Tetra Tech Coffey, forms part of an independent investigation into environmental impacts of the Panguna Mine since operations ceased in 1989 and the social and human rights impacts that are related to these.

The project is being predominantly funded by Rio Tinto as the mine's former majority owner with some support from BCL as the mine's former operator. It has the support of mine-affected communities.



BCF Scholarships

The company is pleased to have recommenced the awarding of new student scholarships in 2024 through the Bougainville Copper Foundation (BCF) as an undertaking made in dialogue to resolve the tenure issue. The BCF is a fully owned subsidiary of BCL. The program was suspended back in 2019 due to tenure uncertainty, but **56** scholarships were recently awarded for 2024 in support of Bougainvilleans in tertiary educational institutions.

Stakeholder Engagement

Through the tireless work of our team on the ground in Bougainville, the company continued to strengthen its relationships with landowners, all tiers of government, veterans, women and youth leaders, schools, church groups and other community leaders. The goodwill built through our well-established presence in Bougainville was instrumental to securing the support necessary for the resolution of the tenure issue. Having David as MD and CEO based in Buka further bolsters our stakeholder engagement capacity. He was for example, actively involved during the recent week of community consultations in project area communities, that I mentioned earlier.

Community Support

BCL continues to provide modest yet meaningful support for various worthy community activities in Bougainville. Education remains a priority as well as sponsorship for grass roots sport and cultural events. Providing awards for student academic excellence and leadership at schools such as Arawa Secondary School and Tonu Secondary as well as the Arawa School of Nursing are some of the examples. The company also sponsored the Bougainville inter secondary schools' sports carnival and was again a major sponsor of the Siwai Cultural Show. BCL also supported the completion of water infrastructure projects at Kokore and Mimi last year. It supported AROB Day Celebrations, New Dawn FM community broadcasts, Rotary Club initiatives and again worked closely with the UPNG Bougainville Students Association.

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. These are available on the Bougainville Copper web site.

Health and Safety

A safe and healthy workforce is essential to the company's success and the business is committed to achieving zero harm. It is essential that work is only undertaken when deemed safe to do so. BCL for example employs a stringent travel approval process and is committed to ongoing health and safety training for staff and contractors.



Conclusion and Looking Ahead

In concluding, it is pleasing to report that the business has made significant progress by shoring-up tenure and moving towards an active exploration and early development planning phase. During the year ahead we will further action our operational plans to ensure BCL is well placed to undertake the breadth of work necessary.

At the same time, we will step up our activities on the ground and continue our efforts to build further trust among our key stakeholders as a dependable project partner. Through the perseverance of many, including our loyal shareholders, we can now look towards a more promising future. But I do want to point out, that there is much that still needs to be done. This can, however, be achieved by working together in a constructive manner with our partners and stakeholders.

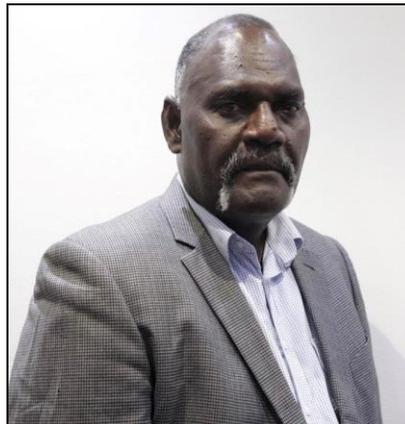


BOUGAINVILLE
COPPER LIMITED

2024 ANNUAL GENERAL MEETING

AGM WELCOME

- Five-year extension of EL01 granted in February
- Appointments of David Osikore (MD & CEO) & Johnny Auna (CFO & Company Secretary)
- Engaging external resources & expertise
- Retirement of Mark Hitchcock



David Osikore



Johnny Auna



Mark Hitchcock



OVERVIEW

- ✓ Extensive dialogue with ABG led to EL01 extension
- ✓ Panguna's redevelopment a top ABG priority
- ✓ Notable support among landowners and veterans
- ✓ Certainty of tenure provides impetus to advance
- ✓ Exploration includes advanced stage pre-feasibility activities
- ✓ Action plans mobilised to strengthen capacity
- ✓ David Osikore as MD & CEO based in Buka



FINANCIAL RESULTS

For year ended 31 December 2023:

- Recorded loss of K8.3 million compared to loss of K6.9 m. in previous year
- Expenditure concentrated on tenure & engagement
- BCL remains financially strong
- Total consolidated assets of K107 m. & net assets of K96.14 m.
- Company debt free
- Will not pay dividend



LIQUID ASSETS

- Assets are cash and equities
- Income from interest and dividends K3.5 m.
- Investments in Australian listed securities totalled K101.9 m.
- Fair value of investments increased by K6.2 m.
- Realised gains on investment sales of K3.8 m.
- Equities only sold to help fund operations



SHAREHOLDINGS

- ❑ The PNG National Government remains committed to transferring 36.4 per cent share in BCL to ABG & people of Bougainville
- ❑ Transfer will be finalised once ABG settles on suitable entity to receive shares free of stamp duty
- ❑ Once occurs ABG & people of Bougainville will be BCL's majority shareholder with 72.8 per cent share



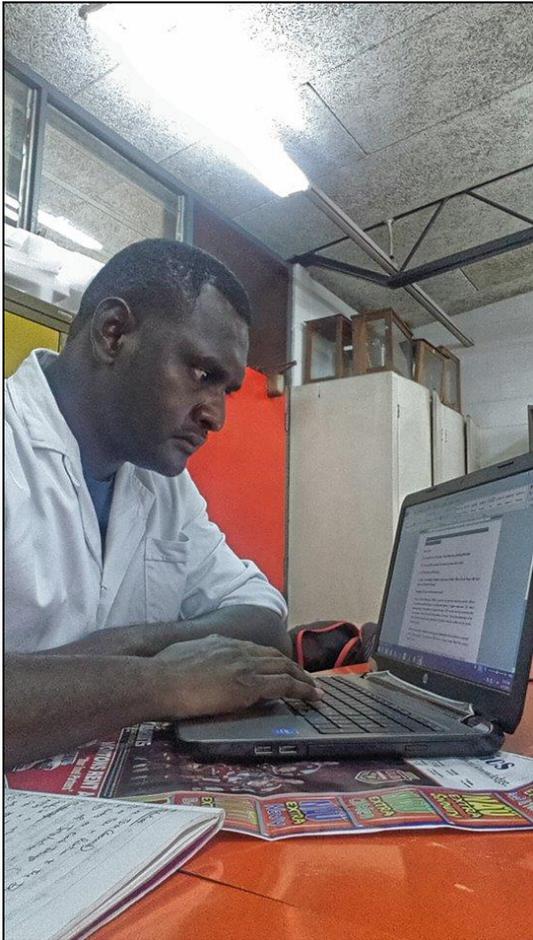
LEGACY IMPACT ASSESSMENT



- BCL welcomes continued PMLIA progress
- Final round of Phase 1 field investigations complete
- Oversight committee expects findings mid-2024
- Project predominantly funded by Rio Tinto with some BCL support
- Backed by mine-affected communities



BCF SCHOLARSHIPS



- BCL pleased to resume the awarding of new scholarships
- Program had been suspended since 2019 due to tenure uncertainty
- 56 scholarships recently awarded to support tertiary and secondary studies
- Since 1997 the BCF has assisted more than 1,200 students



STAKEHOLDER ENGAGEMENT

- Continued to strengthen relations with landowners, government, veterans, women & youth leaders, schools, church groups and others
- BCL's local presence instrumental to resolving tenure issue
- Having MD and CEO in Buka further bolsters capacity



David Osikore meet recently with President Ishmael Toroama



COMMUNITY SUPPORT

- BCL continues to support various community activities
- Education, sports and cultural events received backing
- Two water infrastructure projects were completed at Kokore & Mimi villages
- AROB Day & Siwai Cultural Show were again supported



GOVERNANCE AND HEALTH & SAFETY



Health & Safety

- BCL is committed to achieving zero harm
- The company promotes safe work practices
- It is committed to ongoing training of staff & contractors

Governance

- BCL has ongoing reporting obligations to the ASX
- A statement of compliance is contained in annual report
- Company adheres to various charters & policies (on web site)



CONCLUSION AND LOOKING AHEAD

- Significant progress has been made
- Tenure has been secured
- Operational plans will continue to be actioned
- Stakeholder engagement remains an ongoing priority
- Through perseverance of many the future looks promising
- But there is much still to be done

