



Notice to ASX

12 August 2016

BOUGAINVILLE COPPER LIMITED (BOC)

The directors of Bougainville Copper Limited announce the following results of the company for the six months ended 30 June 2016 which have been independently reviewed together with comparable results for the six months to 30 June 2015.

The result for the six months ended 30 June 2016 was a net operating loss of K3.7 million (AUD\$1.7m) compared to net loss of K7.0 million (AUD\$3.3m) before tax in the corresponding period last year. Tax of K27 million was expensed in 2015.

Financial Results

	2016 K'000	2015 K'000
Exchange gains	21	18
Interest	77	957
Dividends	<u>1,888</u>	<u>1,594</u>
	1,986	2,569
Less: General and administration expenses	<u>5,733</u>	<u>9,595</u>
Profit / (loss) before taxation	(3,747)	(7,026)
Income tax expense	<u>-</u>	<u>27,013</u>
Net Profit / (loss after tax)	<u>(3,747)</u>	<u>(34,039)</u>
Average AUD\$/Kina exchange rate for the period	0.4476	0.4748
Equivalent net loss in AUD\$'000	(1,677)	(16,284)

Recent Events of Significance

On the 30th June 2016 Rio Tinto announced the transfer of its 53.8% shareholding in Bougainville Copper Limited to an independent trustee. Pursuant to the trust deed the Autonomous Bougainville Government (ABG) has the opportunity to receive, for no consideration, 36.4% and the Independent State of Papua New Guinea (PNG) 17.4% of the Rio Tinto shareholding. Subsequently PNG has taken up its 17.4% for a total shareholding of 36.4%. To date the ABG have not taken up their share entitlement.

The managing director Peter Taylor and Adam Burley who are Rio Tinto employees resigned from the board. The three independent directors remain on the board.

Rio Tinto has given notice to terminate the service agreement to manage the company. The directors are managing the transition of the company from that agreement.

Due to the announcement by Rio Tinto to transfer its shares to the trustee, pursuant to the Bougainville Mining Act, the ABG issued a notice to show cause why exploration licence 1/2014 held by Bougainville Copper Limited should not be cancelled. The company believes it can show cause and has responded accordingly.

The company has reached an agreement to settle compensation under the 1986 landowner compensation agreement.

The board is planning for the change in share ownership and remains focused on returning to sustainable mining. The board has initiated positive dialogue with the ABG and PNG governments to develop an understanding of their positions.

2016 Dividend

The directors have not declared a dividend in respect of the six months ended 30 June 2016.

Borrowing

No borrowings were outstanding at mid-year end.

Stock Exchange

The standard Appendix 4D Half yearly report is with the Australian Stock Exchange in accordance with official listing requirements.

By Order of the Board



Mark Hitchcock
Company Secretary



Appendix 4D

Half yearly report

Name of entity

BOUGAINVILLE COPPER LIMITED (BOC)

ABN or equivalent company
reference

007 497 869

Half yearly
(tick)Preliminary
final (tick)

Half year ended ('current period')

30/06/16

Results for announcement to the market

Extracts from this report for announcement to the market (see note 1).

K'000

Revenues from ordinary activities (<i>item 1.1</i>)	down	22.7%	to	1,986
Profit (loss) from ordinary activities after tax attributable to members (<i>item 1.22</i>)	down	88.99%	to	(3,747)
Profit (loss) from extraordinary items after tax attributable to members (<i>item 2.5</i>)	gain (loss) of	-	-	
Net profit (loss) for the period attributable to members (<i>item 1.11</i>)	down	88.99%	to	(3,747)
Dividends (distributions)		Amount per security		Franked amount per security
Final dividend (<i>Preliminary final report only - item 15.4</i>)		Nil		Nil
Interim dividend (<i>Half yearly report only - item 15.6</i>)				
Previous corresponding period (<i>Preliminary final report - item 15.5; half yearly report - item 15.7</i>)		Nil		Nil
+Record date for determining entitlements to the dividend, (in the case of a trust, distribution) (<i>see item 15.2</i>)		N/A		
Brief explanation of any of the figures reported above and short details of any bonus or cash issue or other item(s) of importance not previously released to the market: Nil				

This is a half yearly report and should be read in conjunction with the 2015 annual financial report.

Condensed statement of comprehensive income

	Current period - K'000	Previous corresponding period - K'000
1.1 Revenues from ordinary activities (<i>see items 1.23 –1.25</i>)	1,986	2,569
1.2 Expenses from ordinary activities (<i>see items 1.26 & 1.27</i>)	5,733	9,595
1.3 Borrowing costs	-	-
1.4 Share of net profits (losses) of associates and joint venture entities (<i>see item 16.7</i>)	-	-
1.5 Profit (loss) from ordinary activities before tax	(3,747)	(7,026)
1.6 Income tax on ordinary activities (<i>see note 4</i>)	-	27,013
1.7 Profit (loss) from ordinary activities after tax	(3,747)	(34,039)
1.8 Profit (loss) from extraordinary items after tax (<i>see item 2.5</i>)	-	-
1.9 Net profit (loss)	(3,747)	(34,039)
1.10 Net profit (loss) attributable to outside ⁺ equity interests	-	-
1.11 Net profit (loss) for the period attributable to members	(3,747)	(34,039)
Other comprehensive income		
1.12 Increase (decrease) in revaluation reserves	-	-
1.13 Net exchange differences recognised in equity	-	-
1.14 Other revenue, expense and initial adjustments recognised directly in equity (attach details)	-	-
Initial adjustments from UIG transitional		
1.15 Increase (decrease) in fair value of available-for-sale financial assets	812	(676)
1.16 Other comprehensive income for the period (items 1.12 to 1.15)	812	(676)
1.17 Total comprehensive income for the period	(2,935)	(34,715)

Earnings per security (EPS)	Current period	Previous corresponding Period
1.18 Basic EPS	(0.93) toea	(8.49) toea
1.19 Diluted EPS	(0.93) toea	(8.49) toea

Notes to the condensed statement of comprehensive income

Profit (loss) from ordinary activities attributable to members

	Current period – K'000	Previous corresponding period - K'000
1.20 Profit (loss) from ordinary activities after tax (<i>item 1.7</i>)	(3,747)	(34,039)
1.21 Less (plus) outside ⁺ equity interests	-	-
1.22 Profit (loss) from ordinary activities after tax, attributable to members	(3,747)	(34,039)

Revenue and expenses from ordinary activities

	Current period – K'000	Previous corresponding period - K'000
1.23 Revenue from sales or services	-	-
1.24 Interest revenue	77	957
1.25 Other relevant revenue-		
Dividends received	1,888	1,594
Gain on sale of investments	-	-
Foreign exchange gain /(loss)	21	18
1.26 Details of relevant expenses-General and administration expenses		
Related Party (reimbursement of expenses to related parties - salaries, rent etc)	2,102	2,183
Other Administrative Expenses	3,631	7,412
1.27 Depreciation and amortisation excluding amortisation of intangibles (<i>see item 2.3</i>)	-	-
Capitalised outlays		
1.28 Interest costs capitalised in asset values	-	-
1.29 Outlays capitalised in intangibles (unless arising from an ⁺ acquisition of a business)	-	-

Retained profits

	Current period – K'000	Previous corresponding period - K'000
1.30 Retained profits (accumulated losses) at the beginning of the financial period	(324,355)	(286,492)
1.31 Net profit (loss) attributable to members (<i>item 1.11</i>)	(3,747)	(34,039)
1.32 Net transfers from (to) reserves (<i>details if material</i>)	-	-
1.33 Net effect of changes in accounting policies	-	-
1.34 Dividends and other equity distributions paid or payable	-	-
1.35 Retained profits (accumulated losses) at end of financial period	(328,102)	(320,531)

Intangible and extraordinary items

		<i>Current period</i>			
		Before tax K'000 (a)	Related tax K'000 (b)	Related outside +equity interests K'000 (c)	Amount (after tax) attributable to members K'000 (d)
2.1	Amortisation of goodwill	Nil	Nil	Nil	Nil
2.2	Amortisation of other intangibles	Nil	Nil	Nil	Nil
2.3	Total amortisation of intangibles	Nil	Nil	Nil	Nil
2.4	Extraordinary items (details)	Nil	Nil	Nil	Nil
2.5	Total extraordinary items	Nil	Nil	Nil	Nil

Comparison of half year profits

(Preliminary final report only)

		Current year - K'000	Previous year - K'000
3.1	Profit (loss) from ordinary activities after tax attributable to members reported for the <i>1st</i> half year (item 1.22 in the half yearly report)	(3,747)	(34,039)
3.2	Profit (loss) from ordinary activities after tax attributable to members for the <i>2nd</i> half year	-	(3,824)

Condensed balance sheet		At end of current period K'000	As shown in last annual report K'000	As in last half yearly report K'000
Current assets				
4.1	Cash	25,203	28,951	34,109
4.2	Receivables	567	508	359
4.3	Investments	-	-	-
4.4	Inventories	-	-	-
4.5	Tax assets	-	-	-
4.6	Other –Held-to-maturity financial assets	-	-	-
4.7	Total current assets	25,770	29,459	34,468
Non-current assets				
4.8	Receivables	-	-	-
4.9	Investments (equity accounted)	-	-	-
4.10	Available-for-sale financial assets	111,023	108,953	104,943
4.11	Inventories	-	-	-
4.12	Exploration and evaluation expenditure capitalised (<i>see para .71 of AASB 1022</i>)	-	-	-
4.13	Development properties (⁺ mining entities)	-	-	-
4.14	Other property, plant and equipment (net)	-	-	547,894
4.15	Intangibles (net)	-	-	-
4.16	Tax assets	-	-	-
4.17	Other –General Provision	-	-	(547,894)
4.18	Total non-current assets	111,023	108,953	104,943
4.19	Total assets	136,793	138,412	139,411
Current liabilities				
4.20	Payables	2,801	1,566	1,274
4.21	Interest bearing liabilities	-	-	-
4.22	Tax liabilities	-	-	-
4.23	Provisions exc. tax liabilities	-	-	-
4.24	Other (provide details if material)	-	-	-
4.25	Total current liabilities	2,801	1,566	1,274
Non-current liabilities				
4.26	Payables	306	305	306
4.27	Interest bearing liabilities	-	-	-
4.28	Tax liabilities	6,759	6,759	6,759
4.29	Provisions for compensation	14,527	14,447	14,384
4.30	Other (provide details if material)	-	-	-
4.31	Total non-current liabilities	21,592	21,511	21,449
4.32	Total liabilities	24,393	23,077	22,723
4.33	Net assets	112,400	115,335	116,688

Condensed balance sheet continued

Equity				
4.34	Capital/contributed equity	401,063	401,063	401,063
4.35	Reserves	39,439	38,627	36,156
4.36	Retained profits (accumulated losses)	(328,102)	(324,355)	(320,531)
4.37	Equity attributable to members of the parent entity	112,400	115,335	116,688
4.38	Outside ⁺ equity interests in controlled entities	-	-	-
4.39	Total equity	112,400	115,335	116,688
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4.40	Preference capital included as part of 4.37	-	-	-

Notes to the condensed balance sheet

Exploration and evaluation expenditure capitalised

(To be completed only by entities with mining interests if amounts are material. Include all expenditure incurred.)

	Current period K'000	Previous corresponding period - K'000
5.1	Opening balance	-
5.2	Expenditure incurred during current period	-
5.3	Expenditure written off during current period	-
5.4	Acquisitions, disposals, revaluation increments, etc.	-
5.5	Expenditure transferred to Development Properties	-
5.6	Closing balance as shown in the balance sheet (item 4.12)	Nil

Development properties

(To be completed only by entities with mining interests if amounts are material)

	Current period K'000	Previous corresponding period - K'000
6.1	Opening balance	-
6.2	Expenditure incurred during current period	-
6.3	Expenditure transferred from exploration and evaluation	-
6.4	Expenditure written off during current period	-
6.5	Acquisitions, disposals, revaluation increments, etc.	-
6.6	Expenditure transferred to mine properties	-
6.7	Closing balance as shown in the balance sheet (item 4.13)	Nil

Condensed statement of cash flows

	Current period K'000	Previous corresponding period - K'000
Cash flows related to operating activities		
7.1 Receipts from customers	-	-
7.2 Payments to suppliers and employees	(4,484)	(8,380)
7.3 Dividends received from associates	-	-
7.4 Other dividends received	630	1,594
7.5 Interest and other items of similar nature received	85	4,987
7.6 Interest and other costs of finance paid	-	-
7.7 Income taxes paid	-	-
7.8 Receipts from settlement of taxation matters	-	34,820
7.9 Net operating cash flows	(3,769)	33,021
Cash flows related to investing activities		
7.10 Payment for purchases of property, plant and equipment	-	-
7.11 Proceeds from sale of property, plant and equipment	-	-
7.12 Proceeds from available-for-sale-assets	-	-
7.13 Purchase of available-for-sale financial assets	-	(3,598)
7.14 Disputed tax payments	-	-
7.15 Loans repaid by other entities	-	-
7.16 Payment to held-to-maturity financial assets	-	-
7.17 Net investing cash flows	-	(3,598)
Cash flows related to financing activities		
7.18 Proceeds from issues of ⁺ securities (shares, options, etc.)	-	-
7.19 Proceeds from borrowings	-	-
7.20 Repayment of borrowings	-	-
7.21 Other (provide details if material)	-	-
7.22 Net financing cash flows	-	-
7.23 Net increase (decrease) in cash held	(3,769)	29,423
7.24 Cash at beginning of period (see Reconciliation of cash)	28,951	4,668
7.25 Exchange rate adjustments to item 7.25.	21	18
7.26 Cash at end of period (see Reconciliation of cash)	25,203	34,109

Non-cash financing and investing activities

Details of financing and investing transactions which have had a material effect on assets and liabilities but did not involve cash flows are as follows. (*If an amount is quantified, show comparative amount.*)

Nil

Reconciliation of cash

Reconciliation of cash at the end of the period (as shown in the statement of cash flows) to the related items in the accounts is as follows.	Current period K'000	Previous corresponding period - K'000
8.1 Cash on hand and at bank	25,203	34,109
8.2 Deposits at call	-	-
8.3 Bank overdraft	-	-
8.4 Other –Short term liquid investments	-	-
8.5 Total cash at end of period (item 7.26)	25,203	34,109

Other notes to the condensed financial statements

Ratios	Current period	Previous corresponding Period
Profit before tax / revenue		
9.1 Profit (loss) from ordinary activities before tax (<i>item 1.5</i>) as a percentage of revenue (<i>item 1.1</i>)	(188.7%)	(273.5%)
Profit after tax / +equity interests		
9.2 Net profit (loss) from ordinary activities after tax attributable to members (<i>item 1.11</i>) as a percentage of equity (similarly attributable) at the end of the period (<i>item 4.37</i>)	(3.3%)	(29.2%)

Earnings per security (EPS)

10. Details of basic and diluted EPS reported separately in accordance with paragraph 9 and 18 of AASB 1027: *Earnings Per Share* are as follows.

<p>Current year: (0.93) toea Previous year: (8.49) toea Diluted EPS is the same as Basic EPS</p>
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NTA backing (see note 7)

	Current period Kina	Previous corresponding period Kina
11.1 Net tangible asset backing per ⁺ ordinary security	0.280	0.291

Discontinuing Operations

(Entities must report a description of any significant activities or events relating to discontinuing operations in accordance with paragraph 7.5 (g) of AASB 1029: *Interim Financial Reporting*, or, the details of discontinuing operations they have disclosed in their accounts in accordance with AASB 1042: *Discontinuing Operations* (see note 17).)

12.1 Discontinuing Operations

Nil

Control gained over entities having material effect

- 13.1 Name of entity (or group of entities)

Nil

- 13.2 Profit (loss) from ordinary activities and extraordinary items after tax of the controlled entity (or group of entities) since the date in the current period on which control was ⁺acquired

N/A

- 13.3 Date from which such profit has been calculated

N/A

- 13.4 Profit (loss) from ordinary activities and extraordinary items after tax of the controlled entity (or group of entities) for the whole of the previous corresponding period

N/A

Loss of control of entities having material effect

14.1	Name of entity (or group of entities)	Nil
14.2	Profit (loss) from ordinary activities and extraordinary items after tax of the controlled entity (or group of entities) for the current period to the date of loss of control	N/A
14.3	Date to which the profit (loss) in item 14.2 has been calculated	N/A
14.4	Profit (loss) from ordinary activities and extraordinary items after tax of the controlled entity (or group of entities) while controlled during the whole of the previous corresponding period	N/A
14.5	Contribution to profit (loss) from ordinary activities and extraordinary items from sale of interest leading to loss of control	N/A

Dividends (in the case of a trust, distributions)

15.1	Date the dividend (distribution) is payable	N/A
15.2	+Record date to determine entitlements to the dividend (distribution) (ie, on the basis of proper instruments of transfer received by 5.00 pm if +securities are not +CHESS approved, or security holding balances established by 5.00 pm or such later time permitted by SCH Business Rules if +securities are +CHESS approved)	N/A
15.3	If it is a final dividend, has it been declared? (<i>Preliminary final report only</i>)	N/A

Amount per security

		Amount per security	Franked amount per security at % tax (see note 4)	Amount per security of foreign source dividend
15.4	<i>(Preliminary final report only)</i> Final dividend: Current year	Nil	Nil	Nil
15.5	Previous year	Nil	Nil	Nil
15.6	<i>(Half yearly and preliminary final reports)</i> Interim dividend: Current year	Nil	Nil	Nil
15.7	Previous year	Nil	Nil	Nil

Total dividend (distribution) per security (interim plus final)

(Preliminary final report only)

	Current year	Previous year
15.8 +Ordinary securities	Nil	Nil
15.9 Preference +securities	Nil	Nil

Half yearly report - interim dividend (distribution) on all securities or Preliminary final report - final dividend (distribution) on all securities

	Current period K'000	Previous corresponding period - K'000
15.10 +Ordinary securities (<i>each class separately</i>)	-	-
15.11 Preference +securities (<i>each class separately</i>)	-	-
15.12 Other equity instruments (<i>each class separately</i>)	-	-
15.13 Total	Nil	Nil

The +dividend or distribution plans shown below are in operation.

N/A

The last date(s) for receipt of election notices for the +dividend or distribution plans

N/A

Any other disclosures in relation to dividends (distributions). (*For half yearly reports, provide details in accordance with paragraph 7.5(d) of AASB 1029 Interim Financial Reporting*)

Nil

Details of aggregate share of profits (losses) of associates and joint venture entities

Group's share of associates' and joint venture entities':	Current period K'000	Previous corresponding period - K'000
	16.1 Profit (loss) from ordinary activities before tax	-
16.2 Income tax on ordinary activities	-	-
16.3 Profit (loss) from ordinary activities after tax	-	-
16.4 Extraordinary items net of tax	-	-
16.5 Net profit (loss)	-	-
16.6 Adjustments	-	-
16.7 Share of net profit (loss) of associates and joint venture entities	Nil	Nil

Material interests in entities which are not controlled entities

The economic entity has an interest (that is material to it) in the following entities. (If the interest was acquired or disposed of during either the current or previous corresponding period, indicate date of acquisition ("from dd/mm/yy") or disposal ("to dd/mm/yy").)

Name of entity	Percentage of ownership interest held at end of period or date of disposal		Contribution to net profit (loss) (item 1.9)	
	Current period	Previous corresponding period	Current period K'000	Previous corresponding period - \$K'000
17.1 Equity accounted associates and joint venture entities	-	-	-	-
17.2 Total	-	-	-	-
17.3 Other material interests	-	-	-	-
17.4 Total	Nil	Nil	Nil	Nil

Issued and quoted securities at end of current period

(Description must include rate of interest and any redemption or conversion rights together with prices and dates)

Category of +securities	Total number	Number quoted	Issue price per security (toea)	Amount paid up per security (toea)
18.1 Preference +securities <i>(description)</i>	-	-	-	-
18.2 Changes during current period (a) Increases through issues (b) Decreases through returns of capital, buybacks, redemptions	-	-	-	-
18.3 +Ordinary securities	401,062,500	401,062,500	100	100
18.4 Changes during current period (a) Increases through issues (b) Decreases through returns of capital, buybacks	-	-	-	-
18.5 +Convertible debt securities <i>(description and conversion factor)</i>	-	-	-	-
18.6 Changes during current period (a) Increases through issues (b) Decreases through securities matured, converted	-	-	-	-
18.7 Options <i>(description and conversion factor)</i>	-	-	<i>Exercise price</i>	<i>Expiry date (if any)</i>
			-	-
18.8 Issued during current period	-	-	-	-
18.9 Exercised during current period	-	-	-	-
18.10 Expired during current period	-	-	-	-
18.11 Debentures <i>(description)</i>	-	-		
18.12 Changes during current period (a) Increases through issues (b) Decreases through securities matured, converted	- -	- -		

18.13	Unsecured notes <i>(description)</i>	-	-
18.14	Changes during current period	-	-
	(a) Increases through issues	-	-
	(b) Decreases through securities matured, converted	-	-

Segment reporting

(Information on the business and geographical segments of the entity must be reported for the current period in accordance with *AASB 114: Segment Reporting* and for half year reports, *AASB 134: Interim Financial Reporting*. Because entities employ different structures a pro forma cannot be provided.

Segment information in the layout employed in the entity's ⁺accounts should be reported separately and attached to this report.)

Bougainville Copper Limited operates in one segment only.

Comments by directors

(Comments on the following matters are required by ASX or, in relation to the half yearly report, by *AASB 134: Interim Financial Reporting*. The comments do not take the place of the directors' report and statement (as required by the Corporations Act) and may be incorporated into the directors' report and statement. For both half yearly and preliminary final reports, if there are no comments in a section, state NIL. If there is insufficient space to comment, attach notes to this report.)

Nil

Basis of financial report preparation

19.1 *This is a half yearly report, it is a general purpose financial report prepared in accordance with the listing rules and AASB 134: Interim Financial Reporting. It should be read in conjunction with the last annual report and any announcements to the market made by the entity during the period. The financial statements in this report are "condensed financial statements" as defined in the AASB 134: Interim Financial Reporting. This report does not include all the notes of the type normally included in an annual financial report.*

19.2 Material factors affecting the revenues and expenses of the economic entity for the current period. In a half yearly report, provide explanatory comments about any seasonal or irregular factors affecting operations.

During 2014, the Autonomous Bougainville Government passed the Bougainville Mining (Transitional Arrangement) Act 2014 which was replaced by the Bougainville Mining Act 2015 on 1 April 2015. The Act converts the Special Mining Lease held by the company to an Exploration Licence along with the right to apply for a mining lease. The Mining Registrar is not accepting or registering applications for tenements under the Act. This legislation seeks to challenge the company's control of the mine assets and may reflect an expropriation of assets for the purpose of the Bougainville Copper Act.

To preserve the company's rights, the directors of the company continue to take all possible steps to protect and optimise tenure in Bougainville. The directors took the view in 2014 to impair in full the carrying value of the mine assets, reflected by a charge of K167 million against income and the reversal of the asset revaluation reserve of K31 million, as presented in the 2014 statement of comprehensive income.

19.3 A description of each event since the end of the current period which has had a material effect and which is not already reported elsewhere in this Appendix or in attachments, with financial effect quantified (if possible).

Nil

19.4 Franking credits available and prospects for paying fully or partly franked dividends for at least the next year.

Nil

19.5 Unless disclosed below, the accounting policies, estimation methods and measurement bases used in this report are the same as those used in the last annual report. Any changes in accounting policies, estimation methods and measurement bases since the last annual report are disclosed as follows. (Disclose changes and differences in the half yearly report in accordance with *AASB 134: Interim Financial Reporting*. Disclose changes in accounting policies in the preliminary final report in accordance with *AASB 108: Accounting Policies, Changes in Accounting Estimates and Errors*.)

Nil – Same as those used in the last Annual Report

19.6 Revisions in estimates of amounts reported in previous interim periods. For half yearly reports the nature and amount of revisions in estimates of amounts reported in previous +annual reports if those revisions have a material effect in this half year.

Nil

19.7 Changes in contingent liabilities or assets. For half yearly reports, changes in contingent liabilities and contingent assets since the last + annual report.

Nil

Additional disclosure for trusts

20.1 Number of units held by the management company or responsible entity or their related parties.

N/A

20.2 A statement of the fees and commissions payable to the management company or responsible entity.

N/A

Identify:

- initial service charges
- management fees
- other fees

Condensed Statement of Changes in Equity

		Contributed Equity K'000	Reserves K'000	Accumulated losses K'000	Total K'000
21.1	Balance at 1 January 2013	401,063	51,129	(117,531)	334,661
21.2	Total comprehensive income for the period	-	(1,104)	1,120	16
21.3	Balance at 30 June 2013	401,063	50,025	(116,411)	334,677
21.4	Total comprehensive income for the period	-	21,458	5,658	27,116
21.5	Balance at 31 December 2013	401,063	71,483	(110,753)	361,793
21.6	Total comprehensive income for the period	-	4,160	(5,561)	(1,401)
21.7	Balance at 30 June 2014	401,063	75,643	(116,314)	360,392
21.8	Total comprehensive income for the period	-	(38,811)	(170,178)	(208,989)
21.9	Balance at 31 December 2014	401,063	36,832	(286,492)	151,403
21.10	Total comprehensive income for the period	-	(676)	(34,039)	(34,715)
21.11	Balance at 30 June 2015	401,063	36,156	(320,531)	116,688
21.12	Total comprehensive Income for the period	-	2,471	(3,824)	(1,353)
21.13	Balance at 31 December 2015	401,063	38,627	(324,355)	115,335
21.14	Total comprehensive Income for the period	-	812	(3,747)	(2,935)
21.15	Balance at 30 June 2016	401,063	39,439	(328,102)	112,400

Compliance statement

- 3 This report has been prepared in accordance with AASB Standards, other AASB authoritative pronouncements and Urgent Issues Group Consensus Views or other standards acceptable to ASX and International Accounting Standard 34: Interim Financial Reporting.

Identify other standards used

International Financial Reporting Standards

- 2 This report, and the accounts upon which the report is based, use the same accounting policies.
- 3 The directors are able to declare that the financial report comprising Appendix 4D to the Australian Stock Exchange for the half year ended 30 June 2016:
- a.) complies with International Accounting Standard IAS 34: Interim Financial Reporting, and the Australian Stock Exchange Listing Rules relating to half yearly financial reports, and
 - b.) gives a true and fair view of the entity's financial position as at 30 June 2016 and of its performance, as represented by the results of its operations and its cash flows for the half year ended on that date;



Independent Auditor's Review Report to the Directors of Bougainville Copper Limited

Report on the condensed interim financial statements

We have reviewed the accompanying condensed interim financial statements, being a special purpose financial report, of Bougainville Copper Limited (the Company), which comprise the condensed balance sheet as at 30 June 2016, and the condensed statement of comprehensive income, statement of changes in equity and statement of cash flows for the half-year then ended, and other explanatory notes.

The condensed interim financial statements do not contain all the disclosures required for the full financial statements under generally accepted accounting practice in Papua New Guinea. Reading these condensed financial statements, therefore, is not a substitute for reading the annual financial statements of the Company.

Directors' responsibility for the interim condensed financial statements

The Directors are responsible for the preparation of these financial statements such that present fairly the matters to which they relate in accordance with IAS 34 'Interim Financial Reporting' and for such internal controls as the Directors determine are necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's responsibility

Our responsibility is to express a conclusion on the condensed interim financial statements based on our review. We conducted our review in accordance with International Standard on Review Engagements (ISRE) 2410 'Review of Interim Financial Information Performed by the Independent Auditor of the Entity' in order to state whether, on the basis of the procedures described, anything has come to our attention that makes us believe that the condensed interim financial statements do not present fairly the matters to which they relate. As the auditor of the Company, ISRE 2410 requires that we comply with the ethical requirements relevant to the audit of the annual financial statements.

A review of interim financial statements consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, which is not an audit, nothing has come to our attention that causes us to believe that the condensed interim financial statements of Bougainville Copper Limited, do not present fairly the Company's financial position as at 30 June 2016 and its financial performance and cashflows for the half-year ended on that date in accordance with IAS 34 'Interim Financial Reporting'.

PricewaterhouseCoopers

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Independent Auditor's Review Report Bougainville Copper Limited

Emphasis of matter

We draw attention to Section 19.2 of Appendix 4D which describes the continued significant uncertainty surrounding the future of the Panguna mine and related assets particularly in relation to the Company's rights to those assets. The mine assets were fully depreciated or impaired in previous financial years. Our opinion is not qualified in respect of this matter.

Restriction on distribution or use

This report is made solely to the Directors of the Company, as a body. Our review work has been undertaken so that we might state to the Directors those matters which we are required to state to them in our review report and for no other purpose. We do not accept or assume responsibility to anyone other than the Directors of the Company, as a body, for our review work, for this report or for the conclusions we have formed.

A stylized signature in blue ink, appearing to read 'PricewaterhouseCoopers'.

PricewaterhouseCoopers
by

A stylized signature in blue ink, appearing to read 'Christopher Hansor'.

Christopher Hansor
Partner
Registered under the Accountants Registration Act

Port Moresby
12 August 2016