



BOUGAINVILLE COPPER LIMITED

Press Release

14 August 2014

Company Announcements Office
Australian Stock Exchange Limited

Dear Sir/Madam,

Bougainville Mining (Transitional Arrangements) Bill

The Chairman of Bougainville Copper Limited (BCL), Peter Taylor, received a letter on 12 August from the President of Bougainville, Chief John Momis that stated the Bougainville Mining (Transitional Arrangements) Act (Act) 2014 has been passed by Autonomous Bougainville Parliament and will come into force upon notice in the Bougainville Gazette. No date was set for publication of the notice.

The letter advises as follows with respect to section 212(2) of the Act:

"(1) Prior to that Act coming into operation, BCL is the holder of an SML over the area of the current Panguna SML, primarily by virtue of the operation of the relevant provisions of the Mining (Bougainville Copper Agreement) Act concerning the SML;

(2) As a result, when the Bougainville Mining Act commences, section 212(2) will vest BCL with an Exploration Licence for the area of what will then be the previous SML;

(3) That Exploration Licence will give BCL the right to apply for a Mining Lease under the Bougainville Mining Act, while section 66(2), the grant of such a lease will depend on the outcome of negotiations in the Bougainville Mineral Resource Forum.

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Peter Taylor said, "I have made BCL'S concerns about the potential adverse impact the new Act may have on the company's asset base known to the National and Bougainville Governments. Dialogue will continue with both Governments and landowners in an effort to reach agreement on providing the company with the assurance it needs to go forward with community and study programs that are required to further assess the viability of reopening the mine"

Yours faithfully,



Paul Coleman
Company Secretary