

PANGUNA EL01 & PARTNERING ARRANGEMENTS

WHAT THE PUBLIC NEEDS TO KNOW

BOUGAINVILLE HAS MAJORITY SHAREHOLDING IN BCL

Bougainville holds 72.9% of Bougainville Copper Limited (BCL)

Shares are held through ABG and Bougainville Minerals Limited (BML)

This gives Bougainville majority ownership of the company

LEGAL CLARIFICATION

No laws have been broken 

BCL remains the lawful holder of Exploration Licence EL01 

All activities must comply with the Bougainville Mining Act and other laws. 

ABG HAS TWO DISTINCT ROLES:

ABG ROLE 1: REGULATOR

- ✓ Enforces the Bougainville Mining Act
- ✓ Enforces other relevant ABG laws
- ✓ Oversees mining licences
- ✓ Ensures regulatory compliance

ABG ROLE 2: MAJORITY SHAREHOLDER

- ✓ Owns 72.9% of BCL
- ✓ Makes shareholder decisions
- ✓ Can approve or reject partnership proposals

These roles are separate and must not be confused.

EL01 REQUIREMENTS

Under the EL01 terms, the following studies must be completed:

-  Land Access Agreements
 -  Landowner Identification Studies
 -  Social Mapping Studies
 -  Environmental Studies
 -  Geological & Engineering Studies
 -  Community engagement Planning
- And other additional studies, plans & agreements.

PANGUNA IS STILL IN THE EXPLORATION STAGE

Public timelines being discussed refer to commencement of onsite:

- ✓ Pre-Feasibility Studies/Feasibility Studies
 - ✓ Technical exploration work
- Panguna redevelopment cannot begin until these studies are completed and operator has obtained a mining development license**

PARTNERSHIP DECISIONS: WHY CHINESE MOLYBDENUM COMPANY LTD (CMOC) WAS NOT APPROVED

BCL proposed bringing CMOC as a partner to provide technical and financial resources.

However:

- ✓ The proposal would reduce Bougainville's majority ownership by 19.99%
- ✓ The President and BEC rejected the proposal

PARTNERSHIP DECISIONS: WHY LLOYDS METALS & ENERGY LIMITED (LMEL) WAS ENDORSED

ABG has endorsed LMEL to support the next stage including provision of:

- ✓ Technical and financial resources
 - ✓ EL01 Feasibility study support
- This arrangement would not reduce Bougainville's shareholding in BCL.

WAY FORWARD

- ✓ BCL remains the EL01 licence holder
- ✓ Regulatory requirements remain unchanged
- ✓ Technical work will continue under the licence program
- ✓ LMEL partnering arrangements to be progressed under a Contract Mining/Services Model Agreement

THE PANGUNA PROJECT WILL PROCEED LAWFULLY, TRANSPARENTLY AND IN THE BEST INTEREST OF BOUGAINVILLE.