

Bougainville Copper Limited

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

The Company

From 1972 until 1989 Bougainville Copper Limited operated a large open pit mine and processing facility at Panguna on Bougainville Island in the North Solomons Province of Papua New Guinea producing copper concentrate containing significant quantities of gold and silver. On 15 May, 1989 production was brought to a halt by militant activity, and it is not possible to forecast a date for recommencement of operations. There have been no company employees on Bougainville Island since March, 1990. Since inception until cessation of operations on 15 May, 1989 the mine had produced concentrate containing 3.1 million tonnes of copper, 306 tonnes of gold and 783 tonnes of silver. The production had a value of K5.1 billion which represented approximately 44% of Papua New Guinea's exports through that period. Contributions to the National government in the form of taxes, duties and dividends were approximately 17% of internally generated Papua New Guinea government revenue over that period.

A total of K1 086 million has been contributed to the National government which represents 62% of the net cash generated by the project. In addition, payments to the North Solomons Provincial government and Panguna landowners, together with provisions made since 1990, amount to K107 million. Further, the company's presence in the North Solomons Province had promoted the development of significant local business enterprises to provide goods and services required for the mining operation and for the residents of the province.

Company training programs for some 12 000 employees, including approximately 1 000 completing full trade apprenticeships and some 400 completing graduate and post graduate studies, had previously resulted in considerable progress in the localisation of the company's employees and also added significantly to the number of skilled workers elsewhere in the country's work force. At the end of 1994, the company had no employees.

Bougainville Copper Limited is owned 53.6% by CRA Limited. The Papua New Guinea government owns 19.1% while the remaining 27.3% of the share capital is held by public shareholders.

Notice of Meeting

The Annual General Meeting of Bougainville Copper Limited will be held at 12 noon on Wednesday, 5 April, 1995 at The Port Moresby Travelodge, Hunter St., Port Moresby, Papua New Guinea. A separate Notice of Meeting is enclosed. All shareholders are cordially invited to attend.

Directors

G. D. Klingner (Chairman)
P. G. F. Henderson, A.C.
I. R. Johnson
R. B. Moaina
M. A. Moramoro, O.B.E.
W. T. Palmer (Managing Director)

Secretary

B. P. Bartholomaeus

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