

(BOC)

Bougainville Copper

AUSTRALIA Edition

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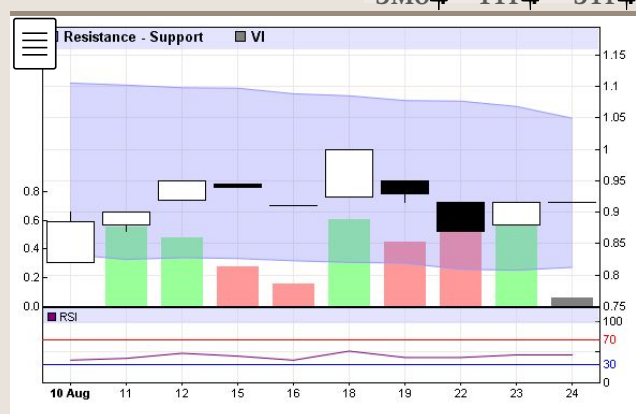
Thursday, September 08, 2011

Bougainville Copper strengthens above Exponential Moving Average Price 12-day EMAP outperforms 26-day EMAP

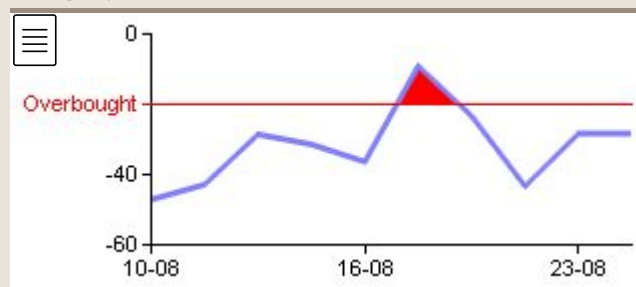
Bougainville Copper, Australia's 56th largest materials company by market capitalisation, has strengthened above its trend. The MACD indicator (12 day EMA-26 day EMA) is positive, a bullish signal. The stock rose for a third day on Thursday bringing its three-day rise to 19.50c or 21.9%. The stock price surged 8.50c (or 8.5%) to close at \$1.085. Compared with the All Ordinaries index, which rose 23.7 points (or 0.6%) on the day, this was a relative price change of 7.9%.

Shares Outstanding: 401,062,500
Market Cap: \$435.2 million
Closing Price: \$1.085

1 MONTH PRICE VOLUME 3Mo 1Yr 5Yr



PERCENT R



L-T Rating: 3 out of 5

S-T Rating: 5 out of 5

Price/NTA	2.8x	Present Value \$1000 (1 year)	1148
ROA	0.7	1-DAY PRICE (%)	8.5
ROE	0.8	PEMAP50	1.1
Earning Yield	0.3	30-DAY PRICE (%)	32.3
% Disc to High	50.7	1-YEAR PRICE(%)	14.8
% Prem to Low	55.0	5-DAY PRICE (%)	19.9
		REL STRENGTH (6M)	50.2
		3-MONTH PRICE(%)	-15.9

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A publication of:

Investment Report

Summary

Bougainville Copper (BOC) shares represent a long-term option on 4 commodities the prices of which have been in steep ascent: Copper Gold Silver and Molybdenum. The proximity of the exercise date inversely impacts on the share price. Previously when it was perceived to be 25 years plus, the price was down to 10 cents plus. That was true some 9 years ago. In the last 7 years as the opinion at the grass roots level in Bougainville turned more favourable and as a BCA Review was announced some 5 years ago, the shares crept up and have traded between a low of 37A cents and \$A2.20. The current price of \$1.28 is at a premium of merely 40% to the 7-year Volume Weighted Price of 91.1 cents and ignores the significant improvements in Bougainville as a result of a concerted awareness campaign and unanimous political support. It must be remembered that both President Momis and his predecessor and main election rival James Tanis are in favour of mining. The Regional MP and Bougainville Affairs and Trade Minister Fedelis Semoso made a statement that the National Government and the Autonomous Bougainville Government are aiming to sign the Panguna Mine Heads of Agreement by the end of November 2011. [Source: Post Courier March 28]

Four milestone events in the years ahead that will determine the market price are [anticipated dates and target prices on crossing the milestone are shown in brackets]:

1. New Bougainville Copper Agreement [BCA] is signed by all 4 parties BCL, the National Govt, the Autonomous Bougainville Govt [ABG] and Landowners. [10 months from now?; Target price AUD5 to 8]
2. Financing arranged and mine development commenced [Four months after 1 above; Target price AUD8 to 11]
3. Earnings and dividend stream commences [12 to 18 months after 1, initially with ore mined shipped out and production ramped up; Target price AUD15 to 25]
4. Full capacity production is achieved [36 months after 2; Target price AUD30 to 50]

Projected Annual Revenue

BCL has reported that with new technology the production can be increased by 30% compared with 1987 production levels. The reserves will also be increased by 30% as a result of advances in technology. The mine life will be at least 14 years Copper production per annum: 392.5 Million pounds times 1.3 or 510.25 M pounds. At the current price of USD 3.98 per pound sales of copper, this would represent revenue of USD2,031 Million. Gold production per annum: 485,720 times 1.3 or 631,436 ounces. At USD1,491.60 per troy ounce this will produce annual revenue of USD942 Million. Silver: increased production of 2,114,577 ounces at a price of USD35.29 per troy ounce producing annual revenue of USD75 million

Total annual revenue from increased production and prices will be USD 3,048 Million.

Note: 1988 Revenue was 392 M pounds of Copper at USD0.81 per pound plus 485,720 ounces of gold at USD446.7 per ounce or USD318 Million plus 217 Million or USD 535 Million. Earnings per share and dividends per share were USD25 cents per share.

Projected Operating Costs

Operating and other expenses stood at 227.5 million or 250.25 million USD at the then exchange rate of K1= USD1.10. We will assume an average USD inflation rate of 5% per annum.

This would mean operating costs in 27 years (from 1987 to 2014) would multiply 3.73 times to USD 933 million per annum

Projected Royalty payable to Landowners

It is proposed to pay a royalty of 3.5% of sales to landowners.

This will be USD106.7 Million per annum.

Investment Report Cont.

Project Earnings And Dividends Per Share

Revenue of USD3,048 M less operating cost of USD 933 M less landowners royalty of USD 107 M

Earnings Before Interest and Tax [EBIT] = USD2008M; Interest payable in Year 1 on USD 3.5 B = USD187.2 Million

Profit Before Tax [PBT] = 2008-187 = USD1821M,

Tax at 30% = USD 546 M

Profit After Tax [PAT] = USD1275 M; EPS = USD3.18 per share

Loan repayment year 1 = USD212 M

Dividends = USD1063 M or USD2.65 per share

Share Price and Intrinsic Value

The Table shows Volume Weighted Price [VWP] of Bougainville Copper shares. [Data Source: BuySellSignals]. The Volume Weighted Price is the summation of turnover [or price at which shares were sold times the volume of shares] divided by the total volume and represents an average based on turnover of all transactions over the period. In the last 12 months the Volume Weighted Price was AUD1.37, up from AUD54 cents in the previous 12 months. Average daily volume of some 77,000 shares rose 56% from 49,460 shares. **The 7-year VWP is A91.1 cents.**

End	Twelve-month period					
	High	Low	Turnover \$	Volume	Average daily volume	Volume Weighted Price
9 May 11	2.2	0.595	26,280,729	19,248,103	76,992	1.37
9 May 10	0.795	0.45	6,630,372	12,365,127	49,461	0.54
9 May 09	1.75	0.5	6,898,232	7,176,118	28,704	0.96
9 May 08	1.94	0.73	12,543,097	12,142,480	48,570	1.03
9 May 07	1	0.6	5,321,684	6,828,081	27,312	0.78
9 May 06	1.065	0.53	8,401,760	10,560,729	42,243	0.80
9 May 05	1.35	0.37	14,973,621	20,904,354	83,617	0.72

The average turnover rate in the last 7 years has been 3.2%. This means volume traded per annum is 3.2% of the issued capital of 401 million shares. This points to a tightly held stock with a small float and low, if any, ownership by institutions. Any significant demand for shares will see steep price rises.

If the company was a going concern operating at full production with no uncertainty about start-up, BCA, the shares would be trading at a P/E of at least 12 or USD12 x 1275 M or USD15,300 M market capitalisation. This translates to a share price of USD38.15. Alternatively a P/EBIT of at least 7.5 would imply a market capitalization of 2008 x 7.5 = USD15,060M or share price of USD37.55.

This assumes the company will not issue any new shares and will finance the mine development wholly via bonds.

Investment Report Cont.

Further upside [Blue Sky potential]

1. MORATORIUM ON EXPLORATION LEASES

When the shares were trading at \$7 and above in 1987- 88 it was estimated by analysts they would double if the moratorium on leases was lifted. At that time Bougainville Copper was considered to have the lowest operating costs at about 40 US cents a pound of copper. There is a good potential for at least one more ore body to be found in the 7 leases owned by BCL on which the moratorium on exploration is expected to be lifted after production commences.

“And it is worth remembering that BCL has 7 granted tenements adjacent to the Panguna mining lease which are in good standing and await exploration save for a National Government imposed moratorium on exploration on Bougainville. Our geologists believe this area is highly prospective”: Source BCL AGM

2. ORE AND WASTE REMOVED

Ore milled

If we add the 18-year data of the two rows from the Table in the last two pages of the Annual Report we find that:

- Ore and Waste Removed in the 18 years was 1248 M Tonnes
- Ore Milled was 675 M Tonnes
- On average the company mined about 69.3 Million tonnes per year [or 1248/18] and milled about 37.5 Million tonnes per year [or 675/18]. The difference between these two figures is 573 M Tonnes. The fact they always mined more than they milled gives BCL a fantastic headstart in mine development. Soon after kick-off date they will be able to ship the mined ore which is ready for milling overseas.

We do not know what proportion of this stock of ore and waste of 573 Million tonnes is suitable for milling. It is estimated that there is adequate stockpile on the ground for at least 3 years of milling. It is further estimated that the investment on this will be a few hundred million dollars . This investment can be commenced soon after the BCA is signed.

3. MOLYBDENUM

When the company mined in the period 1972- 89 molybdenum prices were a fraction of current prices. The mine has molybdenum but the amount is unknown. Whatever it might be, will add to the bottom line.

Financing of project cost, interest rate and repayment schedule

“The company has sufficient funds to cover its recurrent expenditure under the current plan and is debt free BCL's liquid assets continue to be cash and Australian equities. It is intended to continue with the current investment strategy until such time as equities need to be sold to fund mine planning and development.” [Source: AGM]

A project cost of USD 3.5 Billion to be raised by BCL issuing bonds or BCL Copper ETF and BCL Gold ETF [commodity Exchange Traded Funds] guaranteed by RIO and perhaps insured by EFIC after a bankable feasibility study and after a New Bougainville Copper Agreement is signed by BCL, elected landowner representatives, the ABG and the National Govt. The bonds or ETFs will be based on “x” tonnes of copper and “y” ounces of gold sold forward.

Interest rate or coupon rate of 5.5% [refer snapshots from Bloomberg RIO bonds are currently trading at a yield to maturity of 5.016% for 2028 bonds, 3.934 for 2020 bonds and 3.648% for 2018 bonds].

The principal and interest amounts will be repaid over a 12-year period commencing at the time when full production levels are achieved. Monthly repayment will be USD33.5 Million. In Year 1 the interest bill will be USD 187.2 Million and the principal repayment will be USD 211.86 Million.

Investment Report Cont.

ASSUMPTIONS based on prices, exchange rates and YTM of RIO bonds as at May 8, 2011

PRICES

PRODUCTION

K1=USD 0.45; K1=AUD0.42 ; AUD1= 1.07 USD.

EXCHANGE RATES

Because of improved technology methods BCL expects that production will be 30% higher and reserves 30% higher than 1987 levels.

In 1987 the production was:

Concentrate 585,500 dry tonnes

Contained copper 178,200 tonnes

Concentrate grade was: Copper 30.4%; Gold 25.8 grams/tonne; Silver 86.4 grams/tonne

178,200 tonnes of copper equals 178.2 Million kgs or 392.5 Million pounds of copper

Gold production was 25.8 g times 585.5 thousand tonnes = 15,105,900 grams or 485,720 ounces [1 troy ounce = 31.1 grams]

Silver production was 86.4 grams times 585.5 thousand tonnes or 50,587,200 grams or 1,626,598 ounces

Road Map

The road map to New BCA needs to cover the following 6 points which are currently in progress:

- 1 Good law and order and peace in Bougainville
 - Weapons surrender [Ten points Weapons Disposal Process]
 - a RAMSI type of joint venture between Bougainville Police and Australian Federal Police or the United Nations
- 2 Landowners elections and united welcome; there is a groundswell of support for mining from the vast majority of landowners which needs to be translated to Mining Forum meetings and unanimous endorsement of the New BCA. In the past 9 months there has been an unusually high spate of reconciliation gatherings amongst landowners; 6 landowner associations have been formed.
- 3 National Govt delegation of mining powers to the Autonomous Bougainville Govt

4 ABG welcome to mining plus lifting of moratorium on exploration "An important event during the year was the election of Chief John Momis as President of Bougainville for a five year term. President Momis was elected with an absolute majority, giving him a strong mandate for his programs...the next five years is the period in which the mine should be reopened ...I met the President, at his invitation, during his first week in office and dialogue is ongoing... The President has publicly expressed his support for reopening the mine and he is talking directly with me and BCL. He has established an office in Port Moresby which will allow him to meet directly with BCL and the PNG Government on a regular basis. I believe the company can work well with President Momis and the Cabinet of the Autonomous Bougainville Government. "[Source: BCL AGM]

The President as well as the Vice President Patrick Nisira have been working on various aspects of this project including mine capacity building at ABG Mining, regular meetings with landowners, Arawa infrastructure and law and order issues.

5 Financial benefits sharing [National Govt, ABG, BCL/RIO, Australian Govt: The ABG had been starved of funds in the last 10 years. There have been recent visits by a high level Australian delegation and the PNG Govt has also commenced some cash injection. The mine benefit sharing agreement has yet to be agreed upon. BCL has appointed former PNG Prime Minister Sir Rabbie Namaliu as Director. His strong rapport with President Momis should provide him the opportunity to act as an interlocutor so as to move things forward at a greater speed.

6 Unrestricted access to Panguna [Landowners, ABG] "There has been some remediation work carried out on site as part of the company's commitment to ensure the mine site is safe whether or not mining is taking place. There are plans to do additional work with the cooperation of landowners. President Momis has been proactive in assisting the company carry out safety work.": Source: BCL AGM . That should augur well because Panguna was in the "No Go" zone, inaccessible to BCL for about 22 years. This important event seems to have gone unnoticed.

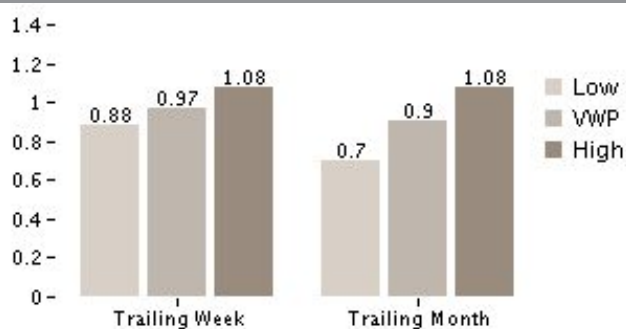
Company Overview

Activities

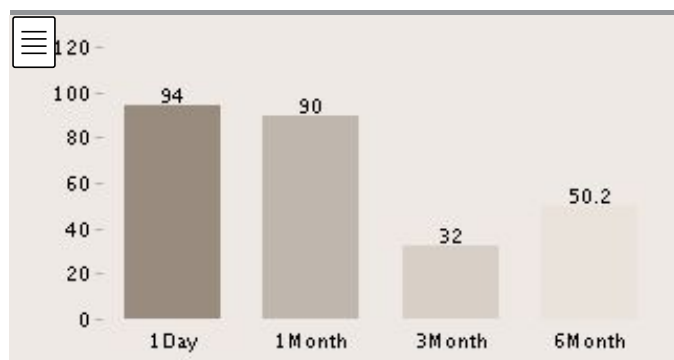
Bougainville Copper Limited has produced copper concentrate containing gold and silver from a mine in Papua New Guinea until operations were suspended due to militant activity in 1989.

Further details can be found at www.bougainvillecopper.com.pg.

VOLUME WEIGHTED PRICE



RELATIVE STRENGTH



Top Management

The chairman is Peter R. Taylor.

Financials

ANNUAL REPORT FOR THE YEAR ENDED DECEMBER 31, 2010

year-on-year comparisons with previous corresponding period

TOTAL LIABILITIES TO OPERATING CASH FLOW OF 46.2

- This compares unfavourably with the Joseph Piotroski benchmark of <4.

FAVOURABLE CHANGES

- A track record of profits in 4 of the last 5 years
- 5-years average annualized earnings growth rate of 89.0%
- Current ratio up 8.1% to 21.2
- Working capital to total assets up 31.3% to 16.8%.

UNFAVOURABLE CHANGES

- Net profit slumps 67.6% to PGK2.8m (\$US919,379)
- Interest cover down 67.3% to 5.0
- EBIT Margin down 64.2% to 20.0%
- EBIT to total assets down 62.2% to 0.9%.

STEADY

- Total liabilities to total assets steady at 0.1
- Sales to total assets steady at 0.04.

MAJOR COMMON SIZE RATIOS

- Non-current debtors to total assets up from 1.0% to 82.4%
- Total non-current assets to total assets down from 86.5% to 82.4%
- Total current assets to total assets up from 13.5% to 17.6%
- Current debtors to total assets up from 0.4% to 16.5%
- Cash to total assets up from 0.1% to 1.1%
- Cost of goods sold to sales up from 47.8% to 84.0%
- EBIT to Sales down from 55.8% to 20.0%
- Profit after tax to sales down from 52.2% to 16.0%
- Profit before tax to sales down from 52.2% to 16.0%
- Interest expenses to sales up from 3.6% to 4.0%.

Issued Capital

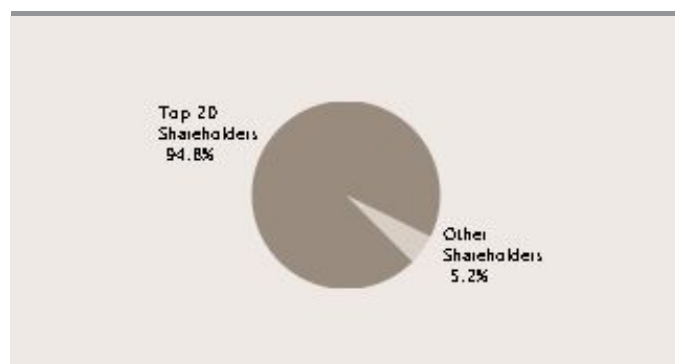
Based on 401,062,500 issued equity shares the market capitalisation is \$435.2 million. It is Australia's 122nd largest Materials company by total revenue.

Company Overview Cont.

TOP 3 SHAREHOLDERS

Name of Shareholder	No. of Shares	% Held
Rio Tinto Limited	211,774,646	52.8
The Independent State Of Papua New Guinea	76,430,809	19.06
Jp Morgan Nominees Australia Limited (Cash Income A/C)	49,361,675	12.31
Total	337,567,130	84.17

TOP 20 SHAREHOLDERS



Shareholder Returns

TRAILING ONE WEEK

The stock rose four times (80% of the time) and fell once (20% of the time). The aggregate volume was 0.5 times average trading of 368,205 shares. The value of \$1,000 invested a week ago is \$1,199 [vs \$975 for the All Ordinaries index], for a capital gain of \$199(or rise of 19.9%).

TRAILING ONE MONTH

The stock rose eleven times (48% of the time), fell eight times (35% of the time), was untraded three times (13% of the time) and was unchanged once (4% of the time). The aggregate volume was 0.4 times average trading of 1,620,102 shares. The value of \$1,000 invested a month ago is \$1,323 [vs \$1,066 for the All Ordinaries index], for a capital gain of \$323(or rise of 32.3%).

TRAILING ONE YEAR

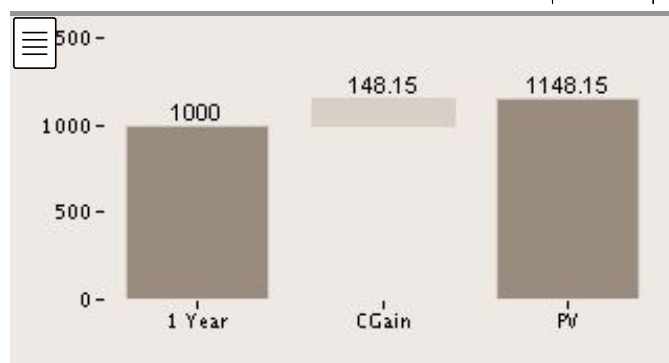
The value of \$1,000 invested one year ago is \$1,148 [vs \$970 for the All Ordinaries index], for a capital gain of \$148. The total return to shareholders for 1 year is 14.8%.

TRAILING FIVE YEARS

The value of \$1,000 invested five years ago is \$1,596, for a capital gain of \$596.

PRESENT VALUE \$1000

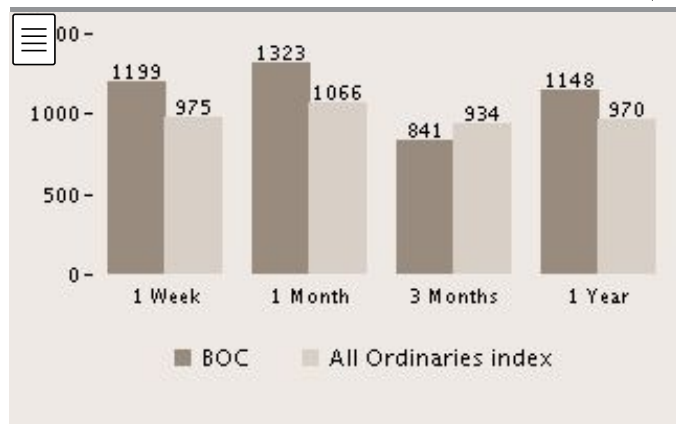
3Yr 5Yr



Company Overview Cont.

SHAREHOLDER RETURNS

5Yr 



Analysis & Rating (Long-Term & Short-Term)

Long-Term Rating (Fundamentals): 3 out of 5

Bougainville Copper is ranked number 56 out of 619 listed materials companies [that traded today] in Australia with a market capitalization of \$435.2 million.

In the materials companies it has the 82nd highest total assets and 122nd highest revenues.

It has a strong relative ROE of 0.8% and ROA of 0.7%.



Stocks are scored on a set of parameters reflecting fundamental analytical tools involving valuation, size and financial performance. They are ranked according to the average values of those parameters. The highest rating is 5 and the lowest rating is 1.

Short-Term Rating (Technical): 5 out of 5

Significantly its price of \$1.085 is at a discount of 23% to its 200-day moving average price of \$1.404. Its 52-week range has been \$2.20 to 70.0c; it is trading at a discount of 50.7 % to its 52-week high and a premium of 55 % to its 52-week low. \$1,000 invested exactly one year ago is now worth \$1,148 of which \$148 is a capital gain.

Recommended stop loss: \$1.004



Stocks are scored on a set of technical parameters reflecting price performance and trading volumes. They are ranked according to the average values of those parameters. The highest rating is 5 and the lowest rating is 1.

Relative Valuation Indicators - RVI™ - Fundamental Analysis

THE STOCK MEETS THE FOLLOWING VALUE CRITERIA SET BY BENJAMIN GRAHAM:

- "Current ratio of two or more"; current assets are 21.15 times current liabilities.

OTHER BULLISH SIGNALS:

- The Price to Book of 2.8 lower than average of 2.8 for the Materials sector. We estimate the shares are trading at a current year Price to Book of 2.5 and a forward year Price to Book of 5.2.
- The average annual compound return on the share price in the last 5 years was 9.8%, exceeding the average annual compound return on the All Ordinaries index of 1.7%

BEARISH SIGNALS:

- The earnings yield of 0.28% below 10-year bond yield of 4.33%.
- Return on Equity of 0.8% versus sector average of 14.0% and market average of 10.1%.
- Return on Assets of 0.7% versus sector average of 8.4% and market average of 2.0%.

THE STOCK HAS A SCORE OF MERELY 3 OUT OF 9 SET BY JOSEPH PIOTROSKI [PASS MARK >=5]:

- Positive net income; Positive operating cashflow; Improvement in current ratio from 19.56% to 21.15%.

Analysis & Rating (Long-Term & Short-Term) Cont.

Relative Valuation Indicators - RVI™ - Technical Analysis

BULLISH SIGNALS:

- The price soared 19.9% in the last week and 32.3% in the last month.
- Compared with the All Ordinaries index which rose 5.3% for the month, this represented a relative price increase of 27.0% for the month.
- The price to 50-day EMAP ratio is 1.1, a bullish indicator. The 50-day EMAP has increased to \$1.006. An increase is another bullish indicator.
- The Moving Average Convergence Divergence (MACD) indicator of 12-day Exponential Moving Average (EMA) minus the 26-day EMA is positive suggesting a bullish signal. Both the 12-day EMA as well as the 26-day EMA are rising, another bullish signal.
- Breakout:
- The stock traded at a two-month high of \$1.085 today.
- The bulls are maintaining control with price open, high, low and close exceeding yesterday's levels.

BEARISH SIGNALS:

- In the Australian market of 1,199 stocks and 60 units traded today, the stock has a 6-month relative strength of 50 which means it has outperformed 50% of the market.
- In the last three months the stock has hit a new 52-week low twice.
- The price to 200-day MAP ratio is 0.77, a bearish indicator. In the past 200 days this ratio has been under 0.77 48 times suggesting further downside. The 50-day MAP of 95.61c is lower than the 200-day MAP of \$1.404, another bearish indicator.
- The price has risen above the upper Bollinger band of \$1.044.

Technical Analysis

Significant Uptrend

SUPPORT

The support price is hovering at the 70.0c level. Volume traded at the support price zone was 1.2 time average during the single occasion when the support price was breached. In the last month the lowest price was 70.0c on Aug 09.

RESISTANCE

The stock is in a short-term spike being above its 50-day moving average price of 95.61c, but below its 200-day moving average price of \$1.404. Previous rallies have been met with resistance at \$1.30. However, selling pressure at that level has been weak; volume was 0.4 times average during the five occasions when the resistance price was breached in the last three months. In the last three months the highest was at \$1.30 on Jun 10, the second highest at \$1.30 on Jun 09. The third advance halted at \$1.29 on Jun 16, the 4th at \$1.29 on Jun 14 and the 5th at \$1.285 on Jun 15

TRAILING MONTH

In the last 21 trading sessions there has been a net rise of 35.62%; the stock has advanced 20 times and the biggest one day rise was 10.1% on Sep 06.

Price Dynamics

VOLATILITY

The stock traded between an intraday low of \$1.065 and two-month high of \$1.085, suggesting a trading opportunity between peaks and troughs. The average daily volatility of 5.2% places the stock in the 2nd quartile in the market meaning it is moderately volatile.

VOLUME WEIGHTED PRICE (VWP)

The price is at a premium of 19.9% to the 1-month volume weighted average price of 90.0c. In the past year the premium has been greater than 19.9% just six times, suggesting a topish level and cautious buying at the current price.

FALLS TO RISES

In the last three months the number of falls outnumbered rises 29:26 or 1.12:1.

BETA

The Beta of this stock is 0.84. A Beta lower than 1 suggests this is a low risk, low return stock with volatility less than that of the market.

STANDARD DEVIATION (SD)

SD is a statistical measure of deviation from the mean. The SD of 5.0% gives it a percentile rank of 60 meaning that 60% of stocks in the Australian market are less volatile than this stock.

Aggregate Volumes, Prices And Turnover Period

[Volume Index or VI in brackets; 1 is average]
 Frankfurt: BOU1.F 105,150 [VI of 1.1]; volume 79.25% of aggregate. Price: 83.0c. Using the current exchange rate of EUR1 equals 1.3348AUD, the shares are at a 2.1% premium to the close price in the Australian Stock Exchange.
 Australia: BOC.AU 27,534 [VI of 0.4]; volume 20.75% of aggregate. Price: \$1.085.
 Aggregate volume: there were 132,684 shares worth \$145,874.7 traded. The aggregate volume was 0.8 times average trading of 166,297 shares.

Sector Ranking

Price Performance Rank

The stock is in 2 indices and 3 sectors.

THE FOLLOWING INDEX AND SECTORS ROSE SETTING THE TREND FOR ITS RISE OF 8.5%:

Materials sector of 512 stocks and 1 unit traded today, which was up 23.2 points or 0.7% to 3,482.8,
The Total Australian Market of 1199 stocks and 60 units traded today, which was up 20.2 points or 0.6% to 3,514.3,
All Ordinaries index of 409 stocks and 38 units traded today, which was up 23.7 points or 0.6% to 4,272.

Stock Ranking by Percentage Price Change, versus Index and Sectors for 1 day and 6 months

	Rank of Stock 1 Day	Rank of Stock 6 Months	Total Number of Stocks in Sector/Index
Materials sector	34	213	682
All Ordinaries index	3	259	462
Total Australian Market	75	598	1739

BuySellSignals™ Sector Valuation Table

TOTAL AUSTRALIAN MARKET

Fundamental

Valuation

	P/Earnings	Price/Net Tangible Assets	Discount to 52-Wk High (%)	Premium to 52-Wk Low (%)
Total Australian Market Avg	15.8x	2.4x	25.1	12.5
BOC		2.8x	50.7	55
Rank	470	615	548	1090
Rank 1	1.7x GPG	0.1x EAU	96.9 KIK	0.4 SHV
Rank 2	1.7x AZZ	0.1x MAE	95.8 AEJ	0.4 AIB
Rank 3	1.8x RHG	0.1x GPG	92.8 HST	0.8 ASW
Lowest Rank			0.5 NEC	1400 OTE

Size	Market Cap \$	Revenue \$
Total Australian Market Avg	1.1 B	618.1 M
BOC	435.2 M	7.5 M
Rank	253	739
Rank 1	139.8 B RIO	56.8 B RIO
Rank 2	122.7 B BHP	52 B WES
Rank 3	73.5 B CBA	52 B WOW
Lowest Rank	580,439 MYA	

Performance

	ROA (%)
Total Australian Market Avg	2.02
BOC	0.7
Rank	637
Rank 1	
Rank 2	141.997 BBX
Rank 3	96.9 ACR
Lowest Rank	0.02 CHC

Sector Ranking Count

Technicals

Price Volume Dynamics

	PV \$1,000 (1 Yr)	Rel Strength (6m)	Hits(3m) 52-W Low	PEMAP5 0	1-Day Price (%)	5-Day Price (%)	30-Day Price (%)	3-Month Price (%)	1-Year Price (%)	30-Day Avg Volatility	Moment um
Total Australia n Market Avg	996.1	53.1	-	0.96x	0.6	-2.5	5.01	-13.7	-3.9	2.2	-
BOC	1,148.2	50.2	2	1.1x	8.5	19.9	32.3	-15.9	14.8	4.8	↑
Rank	422	598	681	159	75	32	123	829	378	605	350
Rank 1	9,000.0 PRA	99.9 TVN	62 LKO	1.99x GCN						100 ACU	↑ AXI
Rank 2	9,000.0 WGO	99.8 CGM	49 JRV	1.9x VRX	50 SLT					75 OGY	↑ GCN
Rank 3	8,142.9 TVN	99.8 TRH	43 MST	1.9x TPT	42.9 CPN					50 MDV	↑ HAS
Lowest Rank	10.0 ESN	0.1 KIK	1 MTI	0.3x TJN	-34.6 CLS	-40 KIK				0.8 CNA	↔ IPP

Financial Results

Year-on-year Comparisons

ANNUAL REPORT: BOUGAINVILLE COPPER (ASX:BOC) NET PROFIT SLUMPS 67.6% TO PGK2.8M

Summary

GENERAL INFORMATION

Company Name	BOUGAINVILLE COPPER LIMITED	
Company ISIN	PG0008526520	
Company CODE	BOC	
Industry	Materials sector	
	2010-12-31	2009-12-31
Native Currency	PGK	PGK

INCOME STATEMENT

Currency in Thousand of PGK	2010-12-31	2009-12-31	Change %
Income			
Interest	696	603	Up 15.4
Realised gain on disposal of investments	5,451	6,529	Down 16.5
Exchange gains	5.48	3,178	Down 99.8
Dividends	5,972	6,529	Down 8.5
	17,596	16,668	Up 5.6
Costs and expenses			
General and administration expenses	-14,781	-7,967	Deterioration 85.5
Exchange losses	-5,898	-306	Deterioration 1,827.5
	-14,781	-7,967	Deterioration 85.5
Profit (loss) before tax	2,815	8,701	Down 67.6
Income tax			
Profit (loss) after tax	2,815	8,701	Down 67.6
Other comprehensive income			
Increase (decrease) in fair value of available-for-sale financial	-3,619	63,564	Deterioration
Total comprehensive income (loss) for the year		72,265	
Basic and diluted earnings per share (toea)	0.70 Toea	2.17 Toea	Down 67.7

Financial Results Cont.

BALANCE SHEET

Currency in Thousand of PGK	2010-12-31	2009-12-31	Change %
Funds employed:			
Shareholders' funds			
Ordinary shares	401,063	401,063	Steady
Asset revaluation reserve	31,276	-11,249	Recovery
Fair value reserve	40,818	44,437	Down 8.1
Accumulated losses	-108,434	-111,249	Reduced 2.5
	364,723	365,527	Down 0.2
Non-current liabilities			
Provisions	22,073	22,073	Steady
Other payables	4,517	4,517	Steady
Income tax	6,759	6,759	Steady
	33,349	33,349	Steady
Current liabilities			
Trade payables	3,349	2,770	Up 20.9
	3,349	2,770	Up 20.9
Total funds	401,421	401,646	Down 0.1
These funds are represented by:			
Non-current assets			
Available for sale financial assets	128,797	145,672	Down 11.6
Other receivables	330,600	3,909	Up 8,357.4
Mine assets	197,894	197,894	Steady
	330,600	347,475	Down 4.9
Current assets			
Cash and cash equivalents	4,491	438	Up 925.3
Held to maturity financial assets		708,215	
Other receivables	66,330	1,421	Up 4,567.8
	70,821	54,171	Up 30.7
Total assets	401,421	401,646	Down 0.1

Financial Results Cont.

CASH FLOW

Currency in Thousand of PGK	2010-12-31	2009-12-31	Change %
Cash flows from operating activities			
Payments to suppliers	-6,360		
Monies paid to the Supreme Court			
Interest received	626		
Dividends received	6,529		
Net operating cash flows	795		
Cash flows from investing activities			
Proceeds from available for cash financial assets	23,003		
Increment in held to maturity investments	-532		
Proceeds/(Purchases) of held to maturity investments	-24,882		
Net investing cash flows	-2,411		
Net increase/(decrease) in cash and cash equivalents			
Net cash flow	-1,616		
Cash and cash equivalents at beginning of year	968		
Effect of exchange rate changes on cash and cash equivalents	1,086		
Cash and cash equivalents at end of year	438		

EBITDA AND MARGINS

	2010-12-31	2009-12-31
Earnings from Cont. Ops. Margin %	19.95	55.82
Net Income Margin %	16	52.2

PERFORMANCE RATIOS

	2010-12-31	2009-12-31	Change %
Return on Assets (%)	0.7	2.17	Down 67.6
Total Liabilities to Operating Cash Flow	46.16		
Total Liabilities/Total Assets	0.09	0.09	Up 1.7
Interest Cover	5.04	15.43	Down 67.3
Current Ratio	21.15	19.56	Up 8.1

PER SHARE FIGURES

	2010-12-31	2009-12-31	Change %
EPS Final	0.70 Toea	2.17 Toea	Down 67.7
EPS Factor	1.0		

USD Conversion at balance date of December 31,2010
Export in XLS

News and Events

Company Announcements:Recent Headlines and Snippets

THE LAST 15 SNIPPETS WERE:

August 11, 2011: Bougainville Copper: Appendix 4D and Press Release

[News Story]<http://www.asx.com.au/asx/statistics/displayAnnouncement.dodisplay=pdf&idsId=01206455>Source: Australian Securities Exchange **Open Full Announcement.**

April 19, 2011: Bougainville Copper: AGM Voting Results

[News Story]<http://www.asx.com.au/asx/statistics/displayAnnouncement.dodisplay=pdf&idsId=01172759>Source: Australian Securities Exchange **Open Full Announcement.**

April 18, 2011: Bougainville Copper: Quarterly Activities Report - March 2011

[News Story]<http://www.asx.com.au/asx/statistics/displayAnnouncement.dodisplay=pdf&idsId=01172375>Source: Australian Securities Exchange **Open Full Announcement.**

March 09, 2011: Bougainville Copper: Annual Report and full year accounts 2010

[News Story]<http://www.asx.com.au/asx/statistics/displayAnnouncement.dodisplay=pdf&idsId=01159958>Source: Australian Securities Exchange **Open Full Announcement.**

March 09, 2011: Bougainville Copper appoints Director

Bougainville Copper has appointed Rabbie Namaliu as a Director. The effective date is March 09, 2011. **Open Full Announcement.**

January 21, 2011: Bougainville Copper top twenty shareholders hold 94.79%

As at January 18, 2011 the top twenty shareholders of Bougainville Copper. held 94.79% [down from 94.97% as at July 27, 2010].Major increases :

Shareholders	Shares	Up from %	Up to %
National Nominees Limited	8,009,680	1.97	2
Hsbc Custody Nominees (Australia) Limited	4,245,354	0.92	1.06
J P Morgan Nominees Australia Limited	2,073,674	0.51	0.52
Merrill Lynch (Australia) Nominees Pty Limited (Berndale A/C)	970,349	0.22	0.24
Mr.Daniel Ronald Watson	600,000	0.13	0.15

Major decreases :

Shareholders	Shares	Down from %	Down to %
Citicorp Nominees Pty Limited	16,107,928	4.05	4.02
Merrill Lynch (Australia) Nominees Pty Limited	612,944	0.27	0.15

Unchanged :

Shareholders	Shares	%
Rio Tinto Limited	211,774,646	52.8
The Independent State Of Papua New Guinea	76,430,809	19.06
Rio Tinto Base Metals Pty Limited	4,099,452	1.02

News and Events Cont.

New Entrants :

Shareholders	Shares	%
JP Morgan Nominees Australia Limited (Cash Income A/C)	49,361,675	12.31
ABN Amro Clearing Sydney Nominees Pty Ltd (Custodian A/C)	554,694	0.14
Mr.Garry Raymond Churchill (Mintek Churchill S/F A/C)	320,417	0.08

Dr.p out(s) :

Shareholders	Shares	%
Anz Nominees Limited (Cash Income A/C)	49,413,541	12.32
J West Holdings Limited	1,529,511	0.38
Mr. Frances Claire Fox (Thomas J Beresford Will A/C)	321,765	0.08

Value of holdings of BOC :

Shareholders	Shares	%	Value, \$M
Rio Tinto Limited	211,774,646	52.8	374.84
The Independent State Of Papua New Guinea	76,430,809	19.06	135.28
JP Morgan Nominees Australia Limited (Cash Income A/C)	49,361,675	12.31	87.37
Citicorp Nominees Pty Limited	16,107,928	4.02	28.51
National Nominees Limited	8,009,680	2	14.18
Hsbc Custody Nominees (Australia) Limited	4,245,354	1.06	7.51
Rio Tinto Base Metals Pty Limited	4,099,452	1.02	7.26
J P Morgan Nominees Australia Limited	2,073,674	0.52	3.67
Mr.Franz Heinrich Rast	1,700,000	0.42	3.01
Merrill Lynch (Australia) Nominees Pty Limited (Berndale A/C)	970,349	0.24	1.72
Westco Nominees Limited	900,000	0.22	1.59
The Noble Hope For Construction Pty Limited (Superannuation Fund A/C)	630,000	0.16	1.12
Deep Investments Pty Limited	629,343	0.16	1.11

News and Events Cont.

Merrill Lynch (Australia) Nominees Pty Limited	612,944	0.15	1.08
Mr.Daniel Ronald Watson	600,000	0.15	1.06
ABN Amro Clearing Sydney Nominees Pty Ltd (Custodian A/C)	554,694	0.14	0.98
Mr.Anthony Patrick Cahill	434,000	0.11	0.77
Deep Valley Pty Limited (Istria Family A/C)	377,000	0.09	0.67
Mr.Garry Raymond Churchill (Mintek Churchill S/F A/C)	320,417	0.08	0.57
Mr. Sumithra Rambukwella Ranaweera	312,500	0.08	0.55

Open Full Announcement.

January 17, 2011: Bougainville Copper: Quarterly Activities Report - December 10

[News Story] <http://www.asx.com.au/asx/statistics/displayAnnouncement.dodisplay=pdf&idsId=01142214> Source: Australian Securities Exchange **Open Full Announcement.**

December 07, 2010: Bougainville Copper: Big talk, people die

[News Story] AS Papua New Guinea's largest-ever investment conference got underway in Sydney yesterday, medical officers in Daru, Western Province, delivered a bitter and hard bill to swallow - more than 200 people have died of cholera in the province. And this is from a province that boasts of one of the largest copper mines in the world which paid billions of Kina into government and the provincial coffers. Latest reports reaching Port Moresby from Daru say more than 2000 cases have been reported through the VHF radio network. And in Sydney yesterday, Oil Search managing firector Peter Botten told a packed audience that his company has so far paid PNG a mammoth K11.931 billion in oil benefits between 1992 and 2009 without any indication of improvement in living standards. **Open Full Announcement.**

December 07, 2010: Bougainville Copper: BCL shares to help

[News Story] The State's 19.06 equity interest in the Bougainville Copper Limited (BCL) may end up with the Autonomous Bougainville Government (ABG) if Prime Minister Sir Michael Somare has it his way. According to Bougainville President John Momis, Sir Michael has on several occasions discussed with him the question of disposal of the national government shareholding in BCL to the ABG. "On every occasion the Prime Minister has proposed that the shares should be transferred to the ABG." The most recent occasion was in my meeting with him in Port Moresby on November 22, 2010," Mr.Momis said. He said this when expressing concern about the lack of official feedback from the national government over ABG's request for the prompt review of the pre-independence era Bougainville Copper Agreement. **Open Full Announcement.**

December 06, 2010: PNG looks to reopen Bougainville copper mine by 2012

[News Story] SYDNEY, - Papua New Guinea hopes to reopen its huge Bougainville copper mine by 2012, two decades after secessionist violence forced it to close, and to play a bigger role in world copper markets, the nation's prime minister said on Monday. "We could see the reopening of Bougainville at a cost of about \$4-billion," Prime Minister Michael Somare told a Papua New Guinea investment conference in Sydney. Papua New Guinea regularly talks up the prospect of the Bougainville mine reopening, but industry analysts now take this possibility more seriously, given rising investor confidence in the country and surging demand for the metal from Asia. **Open Full Announcement.**

News and Events Cont.

December 06, 2010: Bougainville Copper: \$US4 billion to reopen Panguna mine, says Somare

[News Story] Prime Minister Sir Michael Somare presides over an unprecedented boom in Papua New Guinea mining. [AFP]. Papua New Guinea's Prime Minister, Sir Michael Somare, says he hopes the Bougainville copper mine can be reopened within two years. He was speaking at the opening of the PNG Mining and Petroleum Investment conference, in Sydney, Australia. The prime minister said reopening the Bougainville mine would cost about \$US4 billion. The Panguna mine was closed 20 years ago amid secessionist violence. Pressure but with demand for copper increasing, there is growing pressure to reopen the mine to exploit one of the world's largest deposits. A record 1,100 delegates registered to attend the investment conference, with commodity prices high and PNG in the grip of a mining and gas boom. The three-day event will see Sir Michael joined on the podium by all his key economic and resources ministers, as well as landowners and landowner companies. Investors will hear updates on projects ranging from the \$15 billion ExxonMobil-led PNG liquefied natural gas project and Xstata Copper's \$5.3 billion Frieda River development. Also to be covered were the Chinese-owned Ramu Nickel mine and well-advanced plans for the world's first seafloor mining. **Open Full Announcement.**

December 06, 2010: Bougainville Copper: BCL shareholders happy

[News Story] By GORETHY KENNETH THE European shareholders of Bougainville Copper (ESBC) welcomed the breakthrough achieved by the Panguna landowners on their conference in Buka (Bougainville): "We are very satisfied on the meeting's outcome," said ESBC president Axel G. Sturm on Sunday evening in Bangkok. "This gives Bougainville the chance to recover financially from all suffering in the last 20 years." I am very grateful to the Minister of Bougainville Affairs, Fidelis Semoso that he finally pushed things cogently forward by organising this conference. **Open Full Announcement.**

November 19, 2010: Bville copper share price increase

[Press Release] By Reuben Kalaung Shares in Bougainville Copper have witnessed a dramatic increase by 20 percent in the last 2 trading days. Australian daily newspaper The Australian and the Wall Street Journal reported the increase in their publication today. The publications reports, the current copper and gold prices and some foreign players particularly Chinese may have sparked the increase in the share price. Mine owner Rio Tinto owns 54 percent of the shares, the national government 19 percent and while passive shareholder Vanguard owns 2 million shares at 5 percent. **Open Full Announcement.**

November 19, 2010: Big BOC Bang ahead?

[Press Release] Since Bougainville's President, John Momis recently made an announcement of a strong Chinese interest to buy out Bougainville Copper; the BOC share prices shot up dramatically. This reminds us of the failed attempt of the BCL takeover by American Pritzker group during the civil war in 1991. Pritzker offered then a reported price of 3.75 USD per stock. Gold prices were about 350 USD per ounce as well as 80 percent lower for copper at the time. Also silver was much lower in 1991. The Pritzker offer was rejected at the time by Rio Tinto with the furious words, "we do not give away our crown jewels!". **Open Full Announcement.**

November 19, 2010: Bougainville Copper: 'Bogeys' running red hot

[Press Release] AND talking of hot mining stocks, Bougainville Copper shares have run up 29c or 20 per cent from \$1.39 to \$1.68 in the last two trading days. This is a company whose operations closed down 21 years ago in 1989 during a civil insurrection and whose controller Rio Tinto's chairman Paul Skinner made it clear at the May AGM that there were "no plans" to reopen the Panguna mine. Rio owns 54 per cent of "Bogeys" and the PNG government, not universally adored on Bougainville, has another 19 per cent. There are however two other influences to consider. **Open Full Announcement.**

Glossary

DEBT/EQUITY

Net Debt/Net Assets (times)

CURRENT RATIO

Current Assets/Current Liabilities (times)

INTEREST COVER

Earnings Before Interest and Tax/Interest (times)

EARNINGS YIELD ACTUAL

Earnings Per Share/Share Price (%)

EBIT MARGIN

Earnings Before Interest and Tax/Revenue (%)

RETURN ON ASSETS

Net Profit/Total Assets (%)

PRICE/EARNINGS

Share Price/Earnings Per Share (times)

PRICE/SALES PS

Share Price/Sales Per Share (times)

PRICE/NTA

Closing Share Price/Net Tangible Assets Per Share (times)

CASH/MCAP

Cash plus Liquids/Market Capitalisation (times)

VOLUME INDEX

Number of shares traded in the period/Average number of shares traded for the period

MOVING AVERAGE PRICE (N PERIODS)

Sum of Prices for each Period/Number of Periods

PRICE CLOSE/MOVING AV PRICE

Latest Price/Moving Average Price

DIVIDEND YIELD

Dividend Per Share/Share Price (%)

DIVIDEND % FRANKED (A)

Dividend Per Share Franked/Dividend Per Share (%)

DIVIDEND PAYOUT RATIO

Dividend Per Share/Earnings Per Share (%)

CAPITAL PROFIT (LOSS) N YEARS AGO (3/2/1)

Value of Current Investment minus Value of Original Investment

INCOME DURING THE N YEARS (3/2/1)

Dividends received during the Period

TOTAL PROFIT (LOSS) OVER N YEARS (3/2/1)

Capital Gain (Loss) plus Dividends received minus Original Investment

TOTAL LIABILITIES/TOTAL ASSETS

Total Liabilities/Total Assets

FREE CASH FLOW PER SHARE

Earnings Before Interest, Tax, Depreciation and Amortisation Minus Capex/Per Share

CAPITAL GAIN/LOSS FROM N YEARS AGO TO N-1 YEARS AGO

Capital Gain or Loss over 1 Year/Price 1 Year Ago (%)

ANNUAL RETURN

Dividends Paid In a 12-Month Period/Price at the Beginning of the Period + Capital Gain or Loss over 1 Year/Price 1 Year Ago (%)

BANKS COST-TO-INCOME RATIO OR EFFICIENCY RATIO

Total Non-Interest Expense/Total Income (Net Interest Income + Non-Interest Income)

BANKS NON-INTEREST INCOME TO TOTAL INCOME

Non-Interest Income (Loan fees etc)/Total Income (Net Interest Income + Non-Interest Income)

BANKS TIER 1 RATIO

Tier 1 Capital (Ending Equity - Intangibles etc)/Total Tangible Assets

BANKS TIER 2 RATIO

Tier 2 Capital (Tier 1 - Subordinated Debt + Unrealised Gains/Loan Losses)/Total Tangible Assets

NET INTEREST MARGIN

Net Interest Income/Average of all Earning Assets

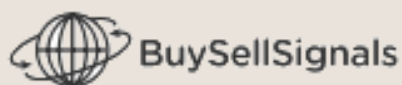
RETURN ON EQUITY (SHAREHOLDERS' FUNDS)

Net Profit/Net Assets (%)

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BST MOMENTUM COLOUR GUIDE

Momentum Up		Price increase fuelled by above average Volume
Weak Momentum Up		Price increase on below average Volume
Momentum Down		Price decrease fuelled by above average Volume
Weak Momentum Down		Price decrease on below average Volume
Strong Unchanged		Price unchanged on above average Volume
Weak Unchanged		Price unchanged on below average Volume
Untraded		Untraded

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