

POMSoX Announcement and Press Release

The Annual Meeting of Shareholders of Bank of South Pacific Limited was held on Friday 21st May, 2010, in Port Moresby.

Shareholders were given a review of the performance of the BSP Group for 2009, and its medium term strategies. Chairman Noreo Beangke reported to shareholders the strong performance of the company, despite the uncertainties caused by the global financial crisis. CEO, Ian B. Clyne, in his address, highlighted the challenges that lay ahead, drawing particular attention to the potential impacts of the LNG project. He said BSP continues to consider a range of outcomes in its medium term planning, and has commenced a major transformation program as part of its medium term strategy.

The Board of Directors declared a total dividend of 4.0 toea per share, comprising a normal dividend of 2.2. toea and a special dividend of 1.8 toea. The Board also announced the adoption of semi-annual dividends.

The Board is well aware of the recent trend in the share price. The price of course is determined by day to day transactions in the market. However, strategic initiatives including the transformation program, coupled with a responsive dividend policy, should lead to improved corporate performance, and sustainable high returns to shareholders, in coming years.

Chairman of BSP, Mr Noreo Beangke, thanked shareholders for their continued support of the company and the group, and looked forward to the continued success of BSP in the coming year.

N. N. BEANGKE
Chairman
Port Moresby

21 May 2010