

## HALF-YEAR RESULTS – BCI INVESTS FOR GROWTH

- **Iron Valley generated revenue for BCI of A\$17.2M and EBITDA of A\$3.0M from shipments of 3.1Mt in the half-year**
- **Significant investment in value-adding activities on BCI's projects including:**
  - **A\$9.5M acquisition of the Kumina tenements and earn-in to the Carnegie Potash Project (capitalised); and**
  - **A\$4.3M in exploration and evaluation expenditure progressing the Buckland Iron Ore Project, Mardie Salt Project and other exploration tenements**
- **Positive EBITDA of A\$0.9M excluding exploration, evaluation and business development related expenses (i.e. Iron Valley EBITDA less corporate costs)**
- **Group EBITDA loss of A\$4.9M and a net loss after tax of A\$6.1M**
- **Cash position of A\$18.9M and debt free**

BCI Minerals Limited (ASX:BCI) ("BCI" or the "Company") presents its financial results for the half-year ended 31 December 2017.

The Iron Valley mine, which is operated by Mineral Resources Limited ("MIN"), continues to deliver positive royalty earnings and cash flow for BCI. Iron Valley shipped 3.1Mt during the half-year, which generated revenue for BCI of A\$17.2M and EBITDA of A\$3.0M. BCI's EBITDA comprised A\$5.3M from shipments which occurred during the half-year less an adjustment of A\$2.3M relating to the finalisation of pricing for certain shipments from the previous financial year.

BCI is investing to progress and add value to its exploration and development projects, in particular its focus projects, the Buckland Iron Ore Project and the Mardie Salt Project. In relation to Buckland, BCI acquired and commenced exploration at the Kumina tenements during the half-year, with a maiden Mineral Resource and integration study expected to be completed in the June 2018 quarter. Solid progress was made with the Mardie Salt Project pre-feasibility study during the half-year and it is expected to be completed in the June 2018 quarter.

BCI continued to fund and earn into the Carnegie Potash Project, where joint venture partner, Kalium Lakes Limited, is targeting completion of a scoping study in the June 2018 quarter, at which stage BCI would have earned a 30% interest. BCI also advanced gold and base metal exploration on its other tenements during the half-year.

BCI's financial results reflect the investment being made across the Company's projects, with A\$4.3M incurred in exploration and evaluation expenditure during the half-year and A\$9.5M (capitalised) to acquire the Kumina tenements and as earn-in to the Carnegie Potash Project. In addition, BCI incurred A\$1.5M in project overheads and assessing new business development opportunities, including gold and base metals projects which weren't transacted on.

Overall, BCI recorded a net loss after tax of A\$6.1M as set out in the following summary of the Company's statement of profit and loss:

	December 2017 A\$M	December 2016 A\$M
<b>Continuing operations</b>		
Revenue	17.6	35.5
Profit/(loss) after tax	(6.1)	7.7
<b>Discontinued operations</b>		
Loss after tax from discontinued operations	-	(1.1)
Net profit/(loss) after tax	(6.1)	6.6

BCI recorded an EBITDA loss of A\$4.9M for the half-year. The table below shows the EBITDA contribution for each segment of the Group.

	December 2017 A\$M	December 2016 A\$M
<b>Continuing operations</b>		
Iron Valley	3.0	12.8
Buckland	(2.7)	(0.5)
Other	(5.2)	(3.0)
EBITDA from continuing operations	(4.9)	9.3
<b>Discontinued operations</b>		
EBITDA from discontinued operations	-	(0.8)
Total EBITDA	(4.9)	8.5

Excluding exploration, evaluation and business development related expenses, BCI's EBITDA equated to positive A\$0.9M.

BCI remains in a strong financial position, with A\$18.9M cash as at 31 December 2017 and no debt.

Commenting on the results, BCI's Managing Director, Alwyn Vorster, said "*BCI continued to increase activities focused on the Buckland Iron Ore Project and Mardie Salt Project during the half-year. We are making excellent progress and a number of important milestones are expected to be achieved in the second half of the year, namely a maiden iron ore Mineral Resource at Kumina and completion of the Mardie Salt pre-feasibility study.*

*"Iron Valley continues to be an important earnings generating asset for BCI, which, combined with BCI's cash position, provides a solid platform from which the Company can continue to add value to its projects."*

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## ABOUT BCI MINERALS

BCI Minerals Limited (ASX:BCI) ("BCI") is an Australian-based resources company that is creating value from its attractive portfolio of mineral interests through discovery, de-risking and transactions. BCI's portfolio currently includes interests in iron ore, salt, potash and gold / base metal projects.

Iron Valley is an operating iron ore mine located in the Central Pilbara region of Western Australia, which is operated by Mineral Resources Limited (ASX:MIN). Iron Valley is generating quarterly royalty earnings for BCI (A\$18.3M EBITDA in FY17).

BCI is currently focused on advancing two 100% owned projects, Buckland Iron Ore and Mardie Salt, which are both proposed to export product through BCI's planned 20Mtpa Cape Preston East Port facility.

Buckland is an iron ore development project located in the West Pilbara region of Western Australia, comprising proposed mines at Bungaroo South, Kumina and other deposits. BCI is currently progressing an Integration Study on a 15Mtpa operation and plans to involve development and offtake partners in a joint venture structure.

Mardie is a salt project located on the West Pilbara coast in the centre of Australia's salt production region. BCI has completed a positive Scoping Study on a solar evaporation operation producing 3.0-3.5Mtpa salt and a Pre-Feasibility Study is due for completion in the first half of 2018.

In addition to these focus projects, BCI is a joint venture partner of Kalium Lakes Limited (ASX:KLL) in the Carnegie Potash Project, which is currently at a Scoping Study stage.

BCI is progressing gold and base metals exploration on its 100% owned Marble Bar, Black Hills and Peak Hill tenements in Western Australia.

The Company's portfolio also includes potential iron ore royalties over the Nullagine, Koodaideri South and Extension tenements.

## KEY STATISTICS

<b>Shares on issue:</b>	395.0 million	
<b>Cash and cash equivalents:</b>	\$18.9 million	as at 31 December 2017
<b>Board:</b>	Brian O'Donnell	Non-Executive Chairman
	Alwyn Vorster	Managing Director
	Michael Blakiston	Non-Executive Director
	Jenny Bloom	Non-Executive Director
	Martin Bryant	Non-Executive Director
	Andy Haslam	Non-Executive Director
<b>Major shareholders:</b>	Wroxby Pty Ltd	27.7%
<b>Website:</b>	<a href="http://www.bciminerals.com.au">www.bciminerals.com.au</a>	