

## GR ENGINEERING APPOINTED AS MARDIE LEAD ENGINEER

BCI Minerals Limited (ASX:BCI) ("BCI") is pleased to announce the appointment of GR Engineering Services Limited ("GR Engineering") as the lead engineer for the Mardie Salt & Potash Project Definitive Feasibility Study ("DFS").

GR Engineering is a reputable Perth-based engineering group with significant experience in study management, engineering design and construction of resource projects in Western Australia and globally, both as EPCM and EPC contractor. Members of the GR Engineering team nominated for this engagement have appropriate experience in salt operation and sulphate of potash study management.

As lead DFS engineer, GR Engineering will be responsible for coordination and integration of the process and engineering design packages for the ponds & crystallisers, salt plant, SOP plant and port facilities. GR Engineering will also prepare and verify the DFS level capital and operating cost estimates and will undertake the design and supervision of pre-FID site works and supporting infrastructure during 2019. This site works will include a 135-hectare trial pond, seawater intake pumps, ~20km upgrade of access roads, initial accommodation camp and power generation.

BCI's Managing Director, Alwyn Vorster, commented: *"We are focused on delivering a high quality DFS that will place BCI in a strong position to reach a final investment decision by the first quarter of 2020. GR Engineering's technical ability and project management strengths will make them a valuable partner to BCI as Mardie is progressed towards full project construction."*

GR Engineering Managing Director, Geoff Jones, commented: *"The Mardie Project is a unique development opportunity for BCI. GR Engineering is pleased to be involved with this high profile Western Australian project. We look forward to working closely with BCI to deliver high quality results in alignment with the planned schedule and cost."*

BCI's areas of focus in the period to 30 June 2019 include:

- Appointments of process design engineers (ponds, two plants and port);
- Geotechnical drilling program of pond, plant and port areas completed;
- Construction of small-scale trial evaporators completed;
- Port tenure negotiations with the Pilbara Port Authority (PPA);
- Environmental Review Document submitted to the Environmental Protection Authority (EPA);
- Construction of the 135-hectare trial pond and supporting facilities (camp, roads, power, pumps) commenced;
- Funding discussions with NAIF and other entities progressed;
- Product offtake potential developed; and
- Significant potential investor / financier briefings.

All activities until the final investment decision by Q1 2020 – estimated at \$25M – will be funded from BCI's existing \$36M cash and the ongoing quarterly royalties from Iron Valley.

-END-

For further information:

P: +61 8 6311 3400

E: [info@bciminerals.com.au](mailto:info@bciminerals.com.au)

Alwyn Vorster  
Managing Director

Simon Hodge  
Chief Financial Officer

Brad Milne  
Investor Relations Manager

## ABOUT BCI MINERALS

BCI Minerals Limited (ASX:BCI) ("BCI") is an Australian-based resources company that is developing an industrial minerals business (initially comprising salt and potash) supported by iron ore royalty earnings and divestment proceeds.

BCI is rapidly advancing its 100% owned Mardie Salt & Potash Project, located on the West Pilbara coast in the center of Australia's key salt production region. Following a positive Pre-Feasibility Study in 2018, a Definitive Feasibility Study is underway targeting completion of all designs and primary approvals for a 4Mtpa salt and 100ktpa sulphate of potash operation by late 2019. Selected early construction works on site infrastructure and a large-scale trial pond is planned during 2019, with a Final Investment Decision (FID) targeted by Q1 2020.

BCI receives quarterly royalty earnings from Iron Valley, an iron ore mine located in the Central Pilbara region of Western Australia which is operated by Mineral Resources Limited (ASX:MIN) (95Mt JORC Ore Reserve<sup>1</sup>). BCI remains the tenement owner and the royalty earnings are based on realised sales prices of Iron Valley ore. BCI's EBITDA from Iron Valley was ~\$18M in FY17 and ~\$6M in FY18.

A process for the divestment of BCI's iron ore and exploration portfolio commenced in 2H 2018. The first transaction completed in December 2018, with the sale of the Kumina iron ore tenements to MIN for total consideration of A\$35M cash, of which \$8M is conditional on the commencement of mining.

## KEY STATISTICS

<b>Shares on issue:</b>	397.6 million	
<b>Cash and cash equivalents:</b>	\$36.6 million	as at 31 December 2018
<b>Board:</b>	Brian O'Donnell	Non-Executive Chairman
	Alwyn Vorster	Managing Director
	Michael Blakiston	Non-Executive Director
	Jenny Bloom	Non-Executive Director
<b>Major shareholders (&gt;5%):</b>	Wroxby Pty Ltd	27.6%
<b>Website:</b>	<a href="http://www.bciminerals.com.au">www.bciminerals.com.au</a>	

1: Refer to BCI's announcement "Updated Mineral Resources and Ore Reserves" dated 18 October 2018 for further details. BCI is not aware of any new information or data that materially affects the information included in that announcement.

## **ABOUT GR ENGINEERING SERVICES LIMITED**

GR Engineering Services Limited (ASX:GNG) is an ASX listed engineering design and construction contractor specialising in fixed price engineering design and construction services to the resources and mineral processing industry.

GR Engineering has successfully completed the engineering design and construction of projects for a diverse range of clients, including global mining houses, mid-tier miners and junior developers undertaking their first project. Traditionally an EPC contractor, GR Engineering also has the ability to contract through a variety of models, including EPCM and hybrid contracting arrangements.

GR Engineering also has a long history of providing a diverse range of process engineering consulting services, including feasibility study preparation and management, process design and peer review engagements. These services have been delivered for projects globally and play a key role in delivering organic growth opportunities through design and construction project execution.

The Company also has a presence in the hydrocarbons industry via its wholly owned subsidiary, Upstream Production Solutions. Upstream Production Solutions is a leading provider of operations and maintenance and well management services to the Australian and South East Asian oil and gas industry.

As a group, GR Engineering employs more than 250 professional and support staff through Australia and internationally, in addition to a direct construction workforce and subcontracted personnel.