

24 August 2018

BISICHI MINING PLC

Interim Results for the period ended 30 June 2018

For the six months ending 30th June 2018:

- EBITDA [1]: £5.2 million (2017: £1.4million)
- Adjusted EBITDA [2]: £5.3million (2017: £1.4million)
- Profit before tax £4.0million (2017: £0.2million)
- EPS (basic): 22.25p (2017: 2.37p)
- Total production: 670,000 tonnes (2017: 582,000 tonnes)
- Results reflect the stable production and the infrastructure improvements to the coal washing plant at Black Wattle.
- Physical demand for Black Wattle coal remains strong, impacting positively on prices achievable for its coal in the international and domestic market.
- UK property portfolio performing well with no further news to report on West Ealing development.

END

For further information, please call:

Andrew Heller/Garrett Casey Bisichi Mining PLC

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[1] Earnings before Interest, taxation, depreciation and amortisation.

[2] Operating profit before depreciation, fair value adjustments and exchange movements.

Bisichi Mining PLC

Half year review – 30 June 2018

We are very pleased to report that for the six month period ending on 30 June 2018, Bisichi Mining PLC achieved earnings before interest, tax, depreciation and amortisation of £5.2million (2017: £1.4 million).

During the first half of 2018, Black Wattle continued to benefit from the infrastructure improvements to the coal washing plant that were reported to shareholders in 2017. These improvements have enabled Black Wattle to deliver a higher rate of production from our opencast areas and achieve an increased overall yield compared to the first half of 2017. The mine's total production was 670,000 metric tonnes (2017: 582,000 metric tonnes) during the period reported.

In terms of markets, a shortage of coal in the domestic market and a strong demand for coal in the international market have continued to impact positively on the prices achievable for our coal during the period. At the end of June 2018 the average weekly price of Free on Board (FOB) Coal from Richard Bay Coal Terminal (API4 price) reached levels of over US\$105 per metric tonne, compared to US\$95 at the end of 2017 and US\$85 at the beginning of 2017. The higher coal prices, along with a stable Rand and improved production attributed to the increase in Group revenue compared to the same period last year.

Looking forward to the rest of this year, management will continue to focus on increasing our life of mine at Black Wattle, through the acquisition of additional coal reserves, as well as maintaining levels of production in order to benefit from the higher prices achievable for our coal.

In other news, and as reported to shareholders earlier this year, the Group has formed a joint venture to acquire the freehold of five shops and to develop flats in West Ealing, London. Bisichi and London & Associated Properties PLC, a 41.52% shareholder of Bisichi, each own 45% of the joint venture, with the remaining 10% owned by Metroprop Real Estate Ltd. The joint venture includes shops that produce a current rent of c£140,000 per annum and has planning consent for 20 flats at first and second floor which will be eligible for the UK Government Help to Buy Scheme. At present the Group has no further news to report on this exciting real estate transaction, however we look forward to updating shareholders as the development progresses.

Finally, the Company's current UK retail property portfolio, which is managed by London & Associated Properties, continues to perform well with the group achieving revenue from our directly owned property portfolio of £0.55million (2017: £0.56million) during the period.

Your directors intend to pay an interim dividend of 1p per share which will be paid on the 8 February 2019, to shareholders on the register at the close of business on 4 January 2019.

On behalf of the Board we would like to thank all our staff for their hard work during the first six months of the year.

Sir Michael Heller

Chairman

23 August 2018

Andrew Heller

Managing Director

Bisichi Mining PLC
Consolidated income statement
For the six months ended 30 June 2018

		Unaudited	Unaudited	Audited
		6 months ended	6 months ended	Year ended
		30 June	30 June	31 December
		2018	2017	2017
	<i>Notes</i>	£000	£000	£000
Group revenue	1	23,407	16,732	37,459
Operating costs		(19,218)	(16,283)	(33,686)
Operating profit/(loss) on trading activities		4,189	449	3,773
Increase in value of investment properties		-	-	(13)
(Loss)/Gain on investments held at fair value		(29)	-	3
Operating profit	1	4,160	449	3,763
Write off of investment in joint venture		-	-	(1,827)
Share of profit/(loss) in joint ventures		8	4	8
Profit before interest and taxation		4,160	453	1,944
Interest receivable		80	127	205
Interest payable		(283)	(337)	(664)
Profit/(Loss) before taxation	1	3,965	243	1,485
Income tax	2	(1,201)	(18)	(564)
Profit/(Loss) for the period		2,764	225	921
Attributable to:				
Equity holders of the company		2,376	253	749
Non-controlling interest		388	(28)	172
Profit/(Loss) for the period		2,764	225	921
Earnings/(Loss) per share - basic	3	22.25p	2.37p	7.02p
Earnings/(Loss) per share - diluted	3	21.73p	2.37p	7.02p

Bisichi Mining PLC
Consolidated statement of comprehensive income
For the six months ended 30 June 2018

	Unaudited 6 months ended 30 June 2018 £000	Unaudited 6 months ended 30 June 2017 £000	Audited Year ended 31 December 2017 £000
Profit/(Loss) for the period	2,764	225	921
Other comprehensive income:			
Exchange differences on translation of foreign operations	(226)	7	91
Gain on available for sale investments	-	28	103
Taxation	-	(3)	(20)
Other comprehensive income for the period, net of tax	(226)	32	174
Total comprehensive income for the period	2,538	257	1,095
Attributable to:			
Equity shareholders	2,191	285	912
Non-controlling interest	347	(28)	183
Total comprehensive income for the period	2,538	257	1,095

Bisichi Mining PLC
Consolidated Balance Sheet
as at 30 June 2018

	Unaudited 30 June 2018 £'000	Unaudited 30 June 2017 £'000	Audited 31 December 2017 £'000
Assets			
Non-current-assets			
Value of investment properties	13,260	13,265	13,245
Fair value of head leases	<u>152</u>	<u>181</u>	<u>152</u>
Investment property	13,412	13,446	13,397
Reserves, plant and equipment	7,972	8,819	8,613
Investments in joint ventures	883	1,326	874
Loan to joint venture	-	1,398	-
Other investments available for sale	-	46	51
Other investments at fair value through profit and loss ("FVPL")	<u>32</u>	<u>-</u>	<u>-</u>
Total non-current assets	<u>22,299</u>	<u>25,035</u>	<u>22,935</u>
Current assets			
Inventories	985	842	828
Trade and other receivables	7,748	6,163	6,417
Investments in listed securities held at FVPL (previously classified as Available for sale investments)	1,032	779	1,050
Cash and cash equivalents	<u>6,600</u>	<u>2,414</u>	<u>5,327</u>
Total current assets	<u>16,365</u>	<u>10,198</u>	<u>13,622</u>
Total assets	<u>38,664</u>	<u>35,233</u>	<u>36,557</u>
Liabilities			
Current liabilities			
Borrowings	(1,783)	(806)	(1,288)
Trade and other payables	(7,667)	(7,963)	(7,381)
Current tax liabilities	<u>(273)</u>	<u>(113)</u>	<u>(356)</u>
Total current liabilities	<u>(9,723)</u>	<u>(8,882)</u>	<u>(9,025)</u>
Non-current liabilities			
Borrowings	(5,928)	(5,887)	(5,872)
Provision for rehabilitation	(1,276)	(1,283)	(1,349)
Finance lease liabilities	(152)	(181)	(152)
Deferred tax liabilities	<u>(2,298)</u>	<u>(2,164)</u>	<u>(2,485)</u>
Total non-current liabilities	<u>(9,654)</u>	<u>(9,515)</u>	<u>(9,858)</u>
Total liabilities	<u>(19,377)</u>	<u>(18,397)</u>	<u>(18,883)</u>
Net assets	<u>19,287</u>	<u>16,836</u>	<u>17,674</u>
Equity			
Share capital	1,068	1,068	1,068
Share premium	258	258	258
Translation reserve	(1,856)	(1,744)	(1,671)
Available for sale reserves	-	85	143
Other reserves	722	683	683
Retained earnings	<u>18,646</u>	<u>16,165</u>	<u>16,661</u>
Total equity attributable to equity shareholders	<u>18,838</u>	<u>16,515</u>	<u>17,142</u>
Non-controlling interest	<u>449</u>	<u>321</u>	<u>532</u>
Total equity	<u>19,287</u>	<u>16,836</u>	<u>17,674</u>

Bisichi Mining PLC
Consolidated Cash Flow Statement
For the six months ended 30 June 2018

Unaudited	Unaudited	Audited
30 June	30 June	31 December
2018	2017	2017
£000	£000	£000

Cash flows from operating activities

Operating profit	4,160	449	3,763
Depreciation	1,077	956	1,790
Unrealised (gain)/loss on investments	37	-	(3)
Unrealised gain on investment properties	-	-	13
Share based payment expense	39	-	-
Exchange adjustments	63	28	256
Movement in working capital	(1,870)	2,630	1,884
Net interest paid	(203)	(162)	(422)
Income tax (paid)/received	(1,328)	23	(11)
Cash flow from operating activities	1,975	3,924	7,270
Cash flows from investing activities	(1,143)	(1,258)	(1,936)
Cash flows from financing activities	(47)	(154)	(429)
Net increase/(decrease) in cash and cash equivalents	785	2,512	4,905
 Cash and cash equivalents at 1 January	 4,065	 (890)	 (890)
Exchange adjustment	(11)	(2)	50
Cash and cash equivalents at end of period	4,839	1,620	4,065

Cash and cash equivalents

For the purposes of the cash flow statement, cash and cash equivalents comprise the following balance sheet amounts:

Cash and cash equivalents	6,600	2,414	5,327
Bank overdrafts	(1,761)	(794)	(1,262)
Cash and cash equivalents at end of period	4,839	1,620	4,065

Bisichi Mining PLC

Consolidated statement of changes in shareholders' equity

For the six months ended 30 June 2018

	Share capital £'000	Share premium £'000	Translation reserve £'000	Available for sale reserves £'000	Other reserves £'000	Retained earnings £'000	Total £'000	Non- controlling Interest £'000	Total Equity £'000
Balance as at 1 January 2017	1,068	258	(1,751)	60	683	16,339	16,657	349	17,006
Profit for the period	-	-	-	-	-	253	253	(28)	225
Other comprehensive income and expense	-	-	7	25	-	-	32	-	32
Total comprehensive income for the period	-	-	7	25	-	253	285	(28)	257
Dividend	-	-	-	-	-	(427)	(427)	-	(427)
Equity share options	-	-	-	-	-	-	-	-	-
Balance at 30 June 2017	1,068	258	(1,744)	85	683	16,165	16,515	321	16,836
Balance as at 1 January 2017	1,068	258	(1,751)	60	683	16,339	16,657	349	17,006
Revaluation of investment properties and impairments	-	-	-	-	-	(1,808)	(1,808)	-	(1,808)
Other income statement movements	-	-	-	-	-	2,557	2,557	172	2,729
Profit for the year	-	-	-	-	-	749	749	172	921
Other comprehensive income and expense	-	-	80	83	-	-	163	11	174
Total comprehensive income for the year	-	-	80	83	-	749	912	183	1,095
Dividend	-	-	-	-	-	(427)	(427)	-	(427)
Equity share options	-	-	-	-	-	-	-	-	-
Balance at 31 December 2017	1,068	258	(1,671)	143	683	16,661	17,142	532	17,674
IFRS 9 Reclassification	-	-	-	(143)	-	143	-	-	-
Balance at 1 January 2018	1,068	258	(1,671)	-	683	18,804	17,142	532	17,674
Profit for the year	-	-	-	-	-	2,376	2,376	388	2,764
Other comprehensive income and expense	-	-	(185)	-	-	-	(185)	(41)	(226)
Total comprehensive income for the period	-	-	(185)	-	-	2,376	2,191	347	2,538
Dividend	-	-	-	-	-	(534)	(534)	(430)	(964)
Equity share options	-	-	-	-	39	-	39	-	39
Balance at 30 June 2018	1,068	258	(1,856)	-	722	18,646	18,838	449	19,287

ACCOUNTING POLICIES AND NOTES TO THE ACCOUNTS:

The results for the six months ended 30 June 2018 have been prepared in accordance with International Financial Reporting Standards (IFRS). The principal accounting policies applied are the same as those set out in the Financial Statements for the year ended 31 December 2017 and which will form the basis of the 2018 Annual report.

1. Segmental analysis

For management purposes, the Group is organised into two operating Divisions, Mining and Property. These Divisions are the primary basis on which the Group reports its segment information. This is consistent with the way the Group is managed and with the format of the Group's internal financial reporting.

	Unaudited 30 June 2018 £000	Unaudited 30 June 2017 £000	Audited 31 December 2017 £000
Revenue			
Mining	22,835	16,160	36,300
Property	549	558	1,125
Other	23	14	34
	23,407	16,732	37,459
Operating profit/(loss)			
Mining	3,751	68	2,848
Property	416	368	884
Other	(7)	13	31
	4,160	449	3,763
Write off of investment in joint ventures	-	-	(1,827)
Share of profit in joint ventures	8	4	8
Interest receivable	80	127	205
Interest payable	(283)	(337)	(664)
Profit/(Loss) before taxation	3,965	243	1,485

2. Taxation

	Unaudited 30 June 2018 £000	Unaudited 30 June 2017 £000	Audited 31 December 2017 £000
Based on the results for the period:			
Corporation tax at 27.00% (2017: 19.5%)	1,246	107	367
Prior year adjustment - UK	-	-	(5)
	1,246	107	362
Deferred taxation	(45)	(89)	202
	1,201	18	564

3. Earnings/ (loss) per share

Both the basic and diluted earnings per share calculations are based on a profit of £2,376,000 (2017: £253,000). The basic earnings per share has been calculated on a weighted average of 10,676,839 (2017: 10,676,839) ordinary shares being in issue during the year. The diluted earnings per share has been calculated on the weighted average number of shares in issue of 10,676,839 (2017: 10,676,839) plus the dilutive potential ordinary shares arising from share options of 165,400 (2017: nil) totalling 10,842,239 (2017: 10,676,839).

4. Investment properties

Investment properties are included at valuation as at 31 December 2017 plus additions in the period ended 30 June 2018.

5. Related Parties

The related parties and the nature of costs recharged are as disclosed in the group's annual financial statements for the year ended 31 December 2017. The group paid management fees of £68,750 (30 June 2017: £68,750 31 December 2017: £137,500) to London & Associated Properties PLC, an associated company.

6. Financial information

The above financial information does not constitute statutory accounts within the meaning of section 434 of the Companies Act 2006. The figures for the year ended 31st December 2017 are based upon the latest statutory accounts, which have been delivered to the Registrar of Companies; the report of the auditors on those accounts was unqualified and did not contain a statement under Section 498(2) or (3) of the Companies Act 2006.

As required by the Disclosure and Transparency Rules of the UK's Financial Conduct Authority, the interim financial statements have been prepared in accordance with the International Financial Reporting Standards (IFRS) and in accordance with both IAS 34 'Interim Financial Reporting' as adopted by the European Union and the disclosure requirements of the Listing Rules.

The half year results have not been audited or subject to review by the company's auditors.

The annual financial statements of Bisichi Mining PLC are prepared in accordance with IFRS as adopted by European Union. The same accounting policies are used for the six months ended 30 June 2018 as were used for the year ended 31 December 2017.

The assessment of new standards, amendments and interpretations issued but not effective, are not anticipated to have a material impact on the financial statements. The following new or revised standards that are applicable to the group were issued but not yet effective:

IFRS 16 – Leases

The largest areas of estimation and uncertainty in the interim financial statements are in respect of:

- The valuation of investment properties;
- Life of mine and reserves;
- Depreciation;
- Provision for rehabilitation (relating to environmental rehabilitation of mining areas);
- Impairment and;
- Carrying values of mining joint ventures

The following new standards have become effective and have been adopted by the Group during the year:

IFRS 15 - Revenue from Contract with Customers

The Group has applied IFRS 15 retrospectively and the new standard had no material financial impact on the accounts.

IFRS 9 - Financial Instruments

The adoption of IFRS 9 has resulted in changes in the Group's accounting policies for the recognition, classification and measurement of financial assets and financial liabilities and impairment of financial assets. The only material impact of IFRS 9 on the Group financial statements related to the movement in fair value of the Groups held for trading (previously available for sale) investments and non-current other investments ("the investments"). Under IAS 39 the movement in the investments was measured at fair value through other comprehensive income and taken to an available for sale reserve. Under IFRS 9 the movements are measured at fair value through profit and loss and taken to retained earnings. The Group has not restated prior periods as allowed by the transition provisions of IFRS 9. In order to reclassify the impact of historic movements on the investments, an adjustment of £109,000 has been made to the Group statement of changes in equity at 1 January 2018 transferring the historical fair value movements of the investments from the available for sale reserve to retained earnings.

Investment properties are not re-valued at the half year end unless there is evidence of a material change in valuation. There have been no material changes in fair value during the period. Please refer to page 60 of the 2017 Annual report and Accounts for details on the valuation of investment properties as at 31 December 2017.

Other areas of estimation and uncertainty are referred to in the group's annual financial statements. There have been no significant changes to the basis of accounting of key estimates and judgements as disclosed in the annual report as at 31 December 2017.

There is no material seasonal impact on the group's financial performance. Taxes on income in the interim periods are accrued using tax rates expected to be applicable to total annual earnings.

The interim financial statements have been prepared on the going concern basis as the Directors are satisfied the group has adequate resources to continue in operational existence for the foreseeable future.

7. Dividend

The interim dividend in respect of 2017, totalling £107,000 was paid on the 9th of February 2018. The final dividends in respect of 2017, totalling £427,000 was approved by the shareholders at the Annual General Meeting held on the 6th June 2018 and was paid on the 27th July 2018. The final dividend in respect of 2017 is included as a liability in these interim financial statements. A proposed interim dividend for the year ended 31 December 2018 totalling £107,000 was approved by the Board of Directors on 23 August 2018 and has not been included as a liability in these Interim Financial Statements.

8. Principal risks and uncertainties

The Group has an established risk management process which works within the corporate governance framework as set out in the 2017 Annual Report and Accounts. Risks and uncertainties identified by the Group are set out on page 14 of the 2017 Annual Report & Accounts and are reviewed on an ongoing basis. There have been no significant changes in the first half of 2018 to the principle risks and uncertainties as set out in the 2017 Annual Report & Accounts.

The principal risks as stated in the accounts reflect the challenging environment in which the business operates and are considered under the following broad headings:

Mining:

- Coal price risk
- Mining risk
- Currency risk
- New reserves and mining permissions
- Power supply risk
- Flooding risk
- Environmental risk
- Health & safety risk
- Labour risk
- Cashflow

Property:

- Property valuation

9. Board approval

These interim results were approved by the Board of Bisichi Mining on 23 August 2018.

DIRECTORS RESPONSIBILITY STATEMENT AND REPORT ON PRINCIPAL RISKS AND UNCERTAINTIES

Responsibility Statement

We confirm to the best of our knowledge:

- (a) the condensed set of financial statements have been prepared in accordance with IAS 34 Interim Financial Reporting as adopted by the EU;
- (b) the interim management report includes a fair review of the information required by:
 - (1) DTR 4.2.7R of the Disclosure and Transparency Rules, being an indication of important events that have occurred during the first six months of the financial year and their impact on the condensed set of financial statements; and a description of the principal risks and uncertainties for the remaining six months of the year; and
 - (2) DTR 4.2.8R of the Disclosure and Transparency Rules, being related party transactions that have taken place in the first six months of the current financial year and that have materially affected the financial position or performance of the entity during the period; and any changes in the related party transactions described in the last annual report that could do so.

This report contains forward-looking statements. These statements are based on current estimates and projections of management and currently available information. Future statements are not guarantees of the future developments and results outlined therein. Rather, future developments and results are dependent on a number of factors; they involve various risks and uncertainties and are based upon assumptions that may not prove to be accurate. Risks and uncertainties identified by the Group are set out on page 14 of the 2017 Annual Report & Accounts. We do not assume any obligation to update the forward-looking statements contained in this report.

Michael Heller
Chairman
23 August 2018

Andrew Heller
Managing Director

DIRECTORS AND ADVISERS

Directors	Sir Michael A Heller MA, FCA (Chairman) Andrew R Heller MA, ACA (Managing Director) Robert Grobler PR Cert Eng (Mining Director) Garrett Casey CA (SA) (Finance Director) Christopher A Joll MA (Non-executive) John A Sibbald MA (Non-executive)
Secretary & Registered office	Garrett Casey CA (SA) 24 Bruton Place London W1J 6NE
Black Wattle Colliery - Directors	Andrew Heller (Managing Director) Garrett Casey (Finance Director) Ethan Dube (Commercial Director) Robert Grobler (Mining Director) Millicent Zvarayi
Registrars and transfer office	Link Asset Services Shareholder Services The Registry, 34 Beckenham Road Beckenham, Kent BR3 4TU UK Telephone: 0871 664 0300 (Calls cost 12p per minute plus network access charges; lines are open Monday to Friday between 9.00am and 5.30pm) International Telephone: +44 371 664 0300 (Calls outside the United Kingdom will be charged at applicable international rate) Website: www.linkassetservices.com E-mail: shareholderenquiries@linkgroup.co.uk
Company registration number	112155 (Incorporated in England and Wales)
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