

Date: 29 September 2008  
On behalf of: BPC Limited ("BPC" or the "Company")  
Embargoed until: 0700hrs

**BPC Limited ("the Company")**

**Interim results of the BPC Group for the six months ended 30 June 2008**

BPC Limited, formerly named Falkland Gold and Metals Limited, the oil and gas exploration company with licences in The Bahamas, is pleased to announce the interim results of the BPC group for the six months ended 30 June 2008.

The BPC group was acquired by the Company on 2 September 2008 at which point the Company changed its name to BPC Limited. The following interim results therefore reflect the BPC group's activities in respect of a period prior to its acquisition by the Company.

**Financial Highlights:**

- \$1,500,000 convertible loan notes issued during April 2008 (repaid 19 September 2008)
- \$1,034,105 unsecured cash as at 30 June 2008
- \$3,804,499 capitalised licence and exploration expenditure as at 30 June 2008

**Operational Highlights:**

- Commencement of farmout negotiations for existing five exploration licences
- Applications for a further five exploration licences in The Bahamas submitted
- Submission of annual report to the Government of The Bahamas for activities and expenditure for the first year of the licences to 26 April 2008

**Post period highlights**

- Completion of acquisition of the BPC group by the Company in a reverse takeover.

**Commenting on the interim results, Alan Burns, Chairman and CEO of BPC Limited, said:**

*"Having achieved the listing on AIM we are now in a position to drive forward the development of BPC and exploit the potential of the exploration licences in The Bahamas. Our focus over the next six months will be to continue farmout negotiations and secure the additional five exploration licences."*

**For more information please contact:**

**BPC Limited**

Alan Burns, Chairman and CEO +61 (0)8 9486 8605

**Ambrian Partners Limited (Nominated Adviser)**

Tim Goodman / Samantha Harrison +44 (0)20 7634 4700

**Redleaf Communications**

Samantha Robbins / Rebecca Sanders-Hewett bpc@redleafpr.com  
+44 (0)20 7822 0200

This report is available on the Company's website: [www.bpcltdgroup.com](http://www.bpcltdgroup.com).

## **Chairman's statement**

The six month period to 30 June 2008 has seen the commencement of farmout negotiations with various industry parties for the five existing exploration licences and application for a further five exploration licences in The Bahamas.

The main focus of both the BPC group management team and the board of the Company during the period has centred on the initiation and progression of discussions in order to effect a reverse takeover by BPC Limited ("BPC") of Falkland Gold and Minerals Limited ("FGML") and subsequently list the new merged entity on AIM.

The Admission Document was issued on 8 August 2008 and the reverse takeover of FGML was unanimously approved by shareholders at an Extraordinary General Meeting held on 1 September 2008. The shares were readmitted to trading under the symbol AIM: BPC on 2 September 2008.

The following unaudited consolidated financial information reflects the BPC group's activities and balances at 30 June 2008 prior to completion of the reverse takeover of FGML and therefore does not include any information from FGML's accounts in respect of this period. Fully consolidated financial information reflecting the balances post the reverse takeover will be available in the Company's annual report to 31 December 2008.

The focus over the next six months will be to continue farmout negotiations and secure the additional five exploration licences.

Alan Burns  
Chairman

**Interim condensed consolidated balance sheet at 30 June 2008**

	Note	30 June 2008 (Unaudited)	30 June 2007 (Unaudited)	31 December 2007 (Audited)
		\$	\$	\$
<b>ASSETS</b>				
<b>Current assets</b>				
Cash and cash equivalents		1,034,105	1,583,127	675,711
Trade and other receivables		<u>521,727</u>	<u>584,365</u>	<u>515,782</u>
		<u>1,555,832</u>	<u>2,167,492</u>	<u>1,191,493</u>
<b>Non-current assets</b>				
Cash not available for use		1,109,665	1,050,000	1,103,474
Property, plant and equipment		168,494	208,767	191,016
Exploration and evaluation assets		<u>3,804,499</u>	<u>2,565,349</u>	<u>3,185,179</u>
		<u>5,082,658</u>	<u>3,824,116</u>	<u>4,479,669</u>
<b>Total assets</b>		<u>6,638,490</u>	<u>5,991,608</u>	<u>5,671,162</u>
<b>LIABILITIES</b>				
<b>Current Liabilities</b>				
Trade and other payables		359,566	214,365	764,982
Loan notes payable		<u>1,545,452</u>	-	-
		<u>1,905,018</u>	<u>214,365</u>	<u>764,982</u>
<b>Total liabilities</b>		<u>1,905,018</u>	<u>214,365</u>	<u>764,982</u>
<b>EQUITY</b>				
Ordinary shares		1,185,650	10,849,997	1,118,700
Share premium reserve		12,573,748	1,000,000	11,871,197
Share based payments reserve		281,925	121,033	253,799
Other reserves		(26,434)	-	(4,932)
Retained earnings		<u>(9,281,417)</u>	<u>(6,193,787)</u>	<u>(8,332,584)</u>
<b>Total equity</b>		<u>4,733,472</u>	<u>5,777,243</u>	<u>4,906,180</u>
<b>Total equity and liabilities</b>		<u>6,638,490</u>	<u>5,991,608</u>	<u>5,671,162</u>

**Interim condensed income statement for the six months ended 30 June 2008**

	Note	Six months ended 30 June 2008 (Unaudited) \$	Six months ended 30 June 2007 (Unaudited) \$	Year ended 31 December 2007 (Audited) \$
Finance income		18,574	48,696	86,358
Employee benefits expense		(488,051)	(535,621)	(1,280,171)
Depreciation and amortisation expense		(41,645)	(24,025)	(63,105)
Other expenses		(437,710)	(809,261)	(2,202,090)
<b>Loss before income tax</b>		(948,832)	(1,320,211)	(3,459,008)
Income tax expense		-	-	-
<b>Loss for the period</b>		<u>(948,832)</u>	<u>(1,320,211)</u>	<u>(3,459,008)</u>
Attributable to:				
Equity holders of BPC Limited		<u>(948,832)</u>	<u>(1,320,211)</u>	<u>(3,459,008)</u>
 <b>Earnings per share for loss attributable to the ordinary equity holders of the Company:</b>				
Basic earnings per share		\$(0.01)	\$(0.01)	\$(0.03)
Diluted earnings per share		\$(0.01)	\$(0.01)	\$(0.03)

**Interim condensed consolidated cash flow statement for the six months to 30 June 2008**

	Note	Six months ended 30 June 2008 (Unaudited) \$	Six months ended 30 June 2007 (Unaudited) \$	Year ended 31 December 2007 (Unaudited) \$
<b>Cash flows from operating activities</b>				
Payments to suppliers and employees		(1,295,296)	(1,683,214)	(3,062,759)
Exchange differences on consolidation		<u>(21,502)</u>	-	<u>(4,932)</u>
<b>Net cash used in operating activities</b>		<u>(1,316,798)</u>	<u>(1,683,214)</u>	<u>(3,067,691)</u>
<b>Cash flows from investing activities</b>				
Payments for property, plant and equipment		(19,122)	(221,614)	(242,943)
Payments for exploration and evaluation assets		(619,320)	(987,197)	(1,607,027)
Deposits for performance guarantees and credit cards		(6,191)	(1,050,000)	(1,103,474)
Interest received		<u>18,574</u>	<u>48,696</u>	<u>86,358</u>
<b>Net cash used in investing activities</b>		<u>(626,059)</u>	<u>(2,210,115)</u>	<u>(2,867,086)</u>
<b>Cash flows from financing activities</b>				
Proceeds from issuance of ordinary shares		769,500	2,654,997	3,794,897
Proceeds from issuance of loan notes		<u>1,500,000</u>	-	-
<b>Net cash generated from financing activities</b>		<u>2,269,500</u>	<u>2,654,997</u>	<u>3,794,897</u>
<b>Net (decrease)/increase in cash and cash equivalents</b>		326,643	(1,238,332)	(2,139,880)
<b>Cash and cash equivalents at the beginning of the period</b>		675,711	2,834,665	2,834,665
Effects of exchange rate changes on cash and cash equivalents		<u>31,751</u>	<u>(13,206)</u>	<u>(19,074)</u>
<b>Cash and cash equivalents at the end of the period</b>		<u>1,034,105</u>	<u>1,583,127</u>	<u>675,711</u>

## Interim condensed consolidated statement of changes in equity (unaudited)

	<i>Share Capital</i>	<i>Share Premium</i>	<i>Share based payments</i>	<i>Other reserves</i>	<i>Retained earnings</i>	<i>Total equity</i>
	\$	\$	\$	\$	\$	\$
<b>Balance at 1 January 2007</b>	9,195,000	-	12,151	-	(4,873,576)	4,333,575
<b>Changes in equity for the first half of 2007</b>						
Loss for the period	-	-	-	-	(1,320,211)	(1,320,211)
Issue of share capital	1,654,997	1,000,000	-	-	-	2,654,997
Employee share option scheme:	-	-	-	-	-	-
Value of employee services	-	-	108,882	-	-	108,882
Options exercised	-	-	-	-	-	-
<b>Balance at 30 June 2007</b>	<u>10,849,997</u>	<u>1,000,000</u>	<u>121,033</u>	-	<u>(6,193,787)</u>	<u>5,777,243</u>
<b>Balance at 1 July 2007</b>	10,849,997	1,000,000	121,033	-	(6,193,787)	5,777,243
<b>Changes in equity for the second half of 2007</b>						
Currency translation differences	-	-	-	(4,932)	-	(4,932)
Net income recognised directly in equity	-	-	-	(4,932)	-	(4,932)
Loss for the period	-	-	-	-	(2,138,797)	(2,138,797)
Total recognised income and expense for the period	-	-	-	(4,932)	(2,138,797)	(2,143,729)
Value of employee services	-	-	132,766	-	-	132,766
Share capital reorganisation following share exchange	(9,764,997)	9,764,997	-	-	-	-
Options exercised	12,000	108,000	-	-	-	120,000
Issue of share capital	<u>21,700</u>	<u>998,200</u>	-	-	-	<u>1,019,900</u>
<b>Balance at 31 December 2007</b>	<u>1,118,700</u>	<u>11,871,197</u>	<u>253,799</u>	<u>(4,932)</u>	<u>(8,332,584)</u>	<u>4,906,180</u>
<b>Balance at 1 January 2008</b>	1,118,700	11,871,197	253,799	(4,932)	(8,332,584)	4,906,180
<b>Changes in equity for the first half of 2008</b>						
Currency translation differences	-	-	-	(21,502)	-	(21,502)
Net income recognised directly in equity	-	-	-	(21,502)	-	(21,502)
Loss for the period	-	-	-	-	(948,832)	(948,832)
Total recognised income and expense for the period	-	-	-	(21,502)	(948,832)	(970,334)
Value of employee services	-	-	28,126	-	-	28,126
Options exercised	<u>66,950</u>	<u>702,550</u>	-	-	-	<u>769,500</u>
<b>Balance at 30 June 2008</b>	<u>1,185,650</u>	<u>12,573,747</u>	<u>281,925</u>	<u>(26,434)</u>	<u>(9,281,416)</u>	<u>4,733,472</u>

## Notes to the unaudited interim condensed consolidated financial information for the six month period ended 30 June 2008

### 1. Basis of preparation

This unaudited consolidated interim financial information reflects the results and financial position of the whole group for the 6 month period to 30 June 2008. The comparatives cover the 6 month period to 30 June 2007. The principal accounting policies used in preparing the interim results are unchanged from those disclosed in the Admission Document issued on 8 August 2008 which included financial information on BPC Limited for the year ended 31 December 2007 (available on BPC Limited's website [www.bpcltdgroup.com](http://www.bpcltdgroup.com)).

The information has been prepared in accordance with International Accounting Standard 34 "Interim Financial Reporting". The condensed consolidated interim financial information should be read in conjunction with the annual financial statements for the year ended 31 December 2007, which have been prepared in accordance with International Financial Reporting Standards (IFRS).

The financial information for the six months ended 30 June 2008 and 30 June 2007 is unaudited and does not constitute the group's statutory financial statements for those periods.

### 2. Group restructuring and consolidation

As at 1 January 2007 the holding company of the group was BPC Limited ("BPC Limited (*Bahamas*)"), a company incorporated in The Bahamas.

On 9 August 2007 a new company, BPC Limited ("BPC Limited (*Jersey*)") was incorporated in Jersey for the purpose of becoming the parent company of the group.

Pursuant to a share exchange agreement between the shareholders of BPC Limited (*Bahamas*) and BPC Limited (*Jersey*), on 30 November 2007 BPC Limited (*Jersey*) became the parent company of the group, with the ultimate shareholders remaining the same immediately pre and post the transaction.

Where business combinations involve entities under common control, predecessor accounting is used: The following are some of the key principles of predecessor accounting relating to the group:

- The group does not restate assets and liabilities to their fair values. Instead the group incorporates the assets and liabilities at the amounts recorded in the books of the combined companies.
- The consolidated financial statements reflect both companies' full year's results, even though the later business combination occurred part way through the year (November 2007).
- The corresponding amounts in the consolidated financial statements for the previous year reflect the results of the combined companies, even though the business combination did not occur until November 2007.

The consolidated financial information incorporates the assets and liabilities of all subsidiaries of BPC Limited (*Jersey*) as at 30 June 2008 and 2007 and the results of all subsidiaries for the period then ended. BPC Limited (*Jersey*) and its subsidiaries together are referred to in this interim report as the group or the consolidated entity.

In the consolidated financial information, intercompany transactions, balances and unrealised gains on transactions between group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of the impairment of the asset transferred. Accounting policies of subsidiaries are consistent with the policies adopted by the group.

### **3. Events after the balance sheet date**

After the period end the company completed a reverse takeover of Falkland Gold and Minerals Limited ("FGML") on 1 September 2008. The offer was on the basis of 6 FGML shares for every BPC share and was unanimously approved by shareholders at an Extraordinary General Meeting of FGML held on that date. The implementation of the offer has combined the net cash in FGML with the interests of the BPC group.

FGML changed its name to BPC Limited and was readmitted to AIM on 2 September 2008 with its new Board of Directors consisting of the original BPC directors who replaced the outgoing FGML board. Full details of the transaction can be found in the Admission Document dated 8 August 2008 which is available on the Company's website [www.bpcltdgroup.com](http://www.bpcltdgroup.com).

On 19 September 2008 all the loan notes issued by the Company in April 2008 were repaid in full. The total amount repaid was \$1,585,500 representing \$1,500,000 principal and \$85,500 interest.

Copies of these interim results are available from the Company's website at [www.bpcltdgroup.com](http://www.bpcltdgroup.com)