

PROJECT FINANCE: NAIF CONFIRMS SUPPORT OF BCI MINERALS MARDIE PROJECT

Highlights

- **BCI notes there is no urgent review by Northern Australia Investment Fund (NAIF) of its investment decision to support the Mardie Project**
- **NAIF has previously approved a \$490M project finance facility for the Mardie salt project with a 15-year tenor**
- **A total of \$800M of project finance commitments have been obtained from a number of lenders including NAIF**
- **Financial Close of the project finance is subject to completing detailed facility documentation and satisfying typical project finance conditions precedent**

BCI Minerals Limited (ASX: BCI) ('BCI' or the 'Company') notes the article published by the Australian Financial Review on 20 September 2023 which included comments regarding the Northern Australia Infrastructure Facility (NAIF)'s pending loan for BCI's Mardie project in the Pilbara. BCI wishes to provide this outline of the status of NAIF's investment decision, to clarify any misunderstanding the article may have caused.

NAIF is not "urgently reviewing" its investment decision to support the Mardie project. The investment decision is firm, and NAIF fully intends to execute financing documents and provide debt funding to the project. NAIF's CEO Craig Doyle said "NAIF has reconfirmed its commitment to the BCI Minerals project and the AFR story that recently ran 20th September 2023 is not an accurate reflection of NAIF's proposed investment in BCI. The review mentioned in the article has already been completed as part of NAIF's normal processes for all projects and NAIF's Board has reconfirmed its commitment to the \$490m to BCI Minerals."

The background to NAIF's support of the Mardie project is as follows:

- After an extensive assessment period, NAIF made an investment decision to provide \$490m in project finance for the Mardie project in 2021.
- This was a key factor in shareholders committing \$360m of equity funding for the project, which was invested into BCI in 2021 and 2022. It is BCI's view that this funding would not have been obtained by BCI without NAIF having made its investment decision.
- In 2022, the project encountered cost increases common to all projects.
- An extensive process to confirm project viability then followed. BCI announced the results of this review on 20 June 2023, confirming the project economics remained robust despite the higher capital cost.
- This included a full review by NAIF of its 2021 investment decision, which was confirmed in August 2023 (as announced by BCI to the ASX on 25 August 2023).
- To recognise the relatively early stage of sulphate of potash plant design and cost estimate reliability, BCI and its proposed project financiers (NAIF, Export Finance Australia and two leading commercial banks) agreed to remove SOP earnings from the updated base case



financial model, as previously announced by BCI to the ASX. The project remains robust based solely on projected salt revenues. As such, the lenders are not relying on SOP earnings to support the proposed project financing, which includes NAIF's \$490m commitment. However, the comment in the AFR article that BCI has "abandoned potash" is not correct. BCI remains committed to delivering a successful potash project in due course.

- As at 30 June 2023, BCI had spent capital expenditure of \$369m, funded by shareholders, on the Mardie project.
- NAIF's \$490m loan commitment represents less than 30% of the total funding envelope proposed for the Mardie project.

-END –

This ASX announcement has been authorised for release by the Board of BCI Minerals Limited.

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ABOUT BCI MINERALS

BCI Minerals Limited (ASX: BCI) is an Australian-based mineral resources company which is developing an industrial minerals business, with salt and potash as its initial focus.

BCI is developing its 100% owned Mardie Salt & Potash Project, a potential Tier One project located on the Pilbara coast in the centre of Western Australia's key salt production region. Mardie has been designed to produce approximately 5Mtpa of high-purity salt (>99.5% NaCl) and 140ktpa of Sulphate of Potash (SOP) (>52% K₂O) via solar evaporation of seawater. Main construction of the Mardie Project commenced in early 2022.

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). BCI's other assets include substantial shareholdings in Agrimin Limited (ASX: AMN) and potential royalties and/or deferred payments from iron ore projects at Koodaideri South, Bungaroo South, Kumina and Nullagine.

KEY STATISTICS

Shares on issue:	1,213.5M	
Cash in bank:	\$109.5M	As at 30 June 2023
Board:	Brian O'Donnell	Non-Executive Chairman
	David Boshoff	Managing Director
	Gabrielle Bell	Non-Executive Director
	Richard Court	Non-Executive Director
	Garret Dixon	Non-Executive Director
	Chris Salisbury	Non-Executive Director
	Miriam Stanborough	Non-Executive Director
	Stephanie Majteles	Company Secretary
Major shareholders:	Wroxby Pty Ltd	39.3%
	AustralianSuper Pty Ltd	14.7%
	Ryder Capital Ltd (and related)	9.0%
Website:	www.bciminerals.com.au	

FORWARD-LOOKING STATEMENTS

This announcement contains forward-looking statements. These forward-looking statements are based on BCI's current expectations and beliefs concerning future events at the date of this announcement and are expressed in good faith. BCI believes that the expectations reflected in such forward-looking statements are reasonable. However, these expectations and forward-looking statements are only predictions and are subject to risks, uncertainties and other factors which could cause actual results to differ materially from future results expressed or implied by such forward-looking statements. Consequently, forward-looking statements should not be relied on as a guarantee of future performance. Other than as required by law, including the ASX Listing Rules, BCI does not undertake or assume any obligation to update or revise any forward-looking statement contained in this announcement or its attachments. Except for statutory liability which cannot be excluded, BCI, its officers, employees and advisors expressly disclaim any responsibility for the accuracy or completeness of the material contained in these forward-looking statements and excludes all liability (including in negligence) for any loss or damage which may be suffered by any person as a consequence of any information in forward-looking statements or any error or omission.