

SEPTEMBER 2023 QUARTERLY REPORT

- **BCI secured credit approval for the total \$981M of project finance required for the Mardie salt project¹ from all key debt providers.**
- **Successful drawdown of \$60M from the issue of convertible notes to Wroxby and AustralianSuper in July as well as \$25M drawdown from convertible notes issued to Ryder in October, to fund critical path activities.**
- **The Mardie Road and North-West Coastal Highway intersection were completed, enabling the initiation of rock embankment construction to improve erosion protection for pond walls.**
- **The Western Australian Minister for Environment approved implementation of the Optimised Mardie Project as an important step in the overall approval process for the project.**
- **The Reconciliation Action Plan was endorsed, and the program commenced in September.**
- **Cash balance of \$121.4M as at 30 September 2023.**

BCI Minerals Ltd (ABN 21 120 646 924) (ASX:BCI) (BCI or the Company) presents its quarterly activities report for the period ended 30 September 2023.

MARDIE SALT AND POTASH PROJECT

Funding

The September quarter was marked by significant progress in project funding, indicating strong ongoing commitment and confidence in BCI's Mardie Project from its key stakeholders.

During the quarter, BCI announced credit approvals for \$981M, including \$800M of project finance from the Northern Australia Infrastructure Facility (NAIF), Export Finance Australia (EFA)², and two leading commercial banks³ (Australian and international).

In early October 2023, BCI announced final credit approval from Export Development Canada (EDC) of a further \$150M⁴. The two commercial banks also increased their credit approvals by \$31M to a combined commitment of \$181M. This delivered a total of \$981M of project finance required for the Mardie salt project from all key debt providers.

These facilities will be utilised to fund all components of the Mardie Project, excluding, as advised in BCI's FY23 results presentation⁵, the construction of the SOP plant.

Financial Close of the project finance facilities is subject to completing detailed facility documentation and satisfying typical project finance conditions precedent.

Further, following shareholder approval in June 2023, the Company issued \$30M in convertible notes to each of BCI's two largest shareholders, Wroxby Pty Ltd and AustralianSuper Pty Ltd as trustee for AustralianSuper. Drawdown of these convertible notes occurred in July, raising a total of \$60M⁶. In addition, in October BCI entered into agreements with its third largest shareholder, Ryder Capital Limited,

¹ 1 Credit approvals relate to the "Mardie salt project", which includes all components of the Mardie Project other than the sulphate of potash (SOP) plant. The Project debt financing is fully underpinned by salt revenues only.

² Refer to the Company's ASX announcement on 25 August 2023 titled "Project Finance Update: \$650M Debt Funding Approvals Secured from NAIF and EFA"

³ Refer to the Company's ASX announcement on 4 September 2023 titled "Project Finance Update: \$150M Debt Funding Approvals Secured from two Leading Commercial Banks"

⁴ Refer to the Company's ASX announcement on 9 October 2023 titled "Project Finance Update: credit approvals for the Total Project Finance Dept of \$981M Completed"

⁵ Refer to the Company's ASX announcement on 18 August 2023 titled "FY23 Results Presentation"

⁶ Refer to ASX Release dated 10 July 2023 titled 'Successful drawdown of \$60M of convertible notes to fund Mardie'.

to secure \$25M via the issue of convertible notes⁷. The Company issued the notes and received \$25M on 20 October 2023.

BCI is pleased to have continued support from its shareholders and proposed lenders.

Health and Safety

Fatality prevention remained the core focus of our efforts for the September quarter with an emphasis on our lead safety indicators, in particular the verification of Critical Controls (CCV) which saw BCI exceed each of our monthly targets for the quarter. The TRIFR on a rolling 12-month basis was 8.7 at the end of September, with this increase reflective of a decline in working hours from 65,140 in July to 57,055 in September.

BCI has continued to focus on incident prevention programs, including ongoing review of critical controls for fatality risks and implementation of controls for psychosocial hazards.

Site activities

BCI has achieved significant milestones in the development of the project's road infrastructure during the quarter, including the completion of the North-West Coastal Highway intersection and Mardie Road. These roadways will provide safe access to the site throughout its lifetime and serve as crucial levee protection barriers, safeguarding the evaporation ponds from potential upstream flood events. The construction of Mardie Road involved the use of a substantial 694,000 cubic metres of civil material.

The completion of Mardie Road facilitated another significant achievement – the delivery of the initial quantities of rock armour and the initiation of rock embankment construction to strengthen the project's pond walls. The reinforcement of Pond two commenced during the quarter to improve erosion control. BCI anticipates the commencement of operations by filling Ponds one and two in Q2 FY24, once environmental management plans are approved.

By the close of September, Pond five was completed. Ponds six and seven have been awarded for construction, with Ponds eight and nine under review to award.

Preparation work for the installation of pumps at Transfer Station 2/3 has also commenced and is well underway. The pumps have been delivered to Mardie.

Finally, progress in the marine package stands at 40% complete. Key achievements include the construction of a jetty abutment and installation of 16 dual pile bents along with the creation of a 3.5-metre-wide roadway for maintenance access.



Image 1: Rock delivery on completed Mardie Road

Image 2: Preparation works at transfer station 2/3

⁷ Refer to ASX Release dated 19 October 2023 titled 'BCI secures \$25M convertible notes to maintain construction momentum'.



Image 3: Rock embankment construction

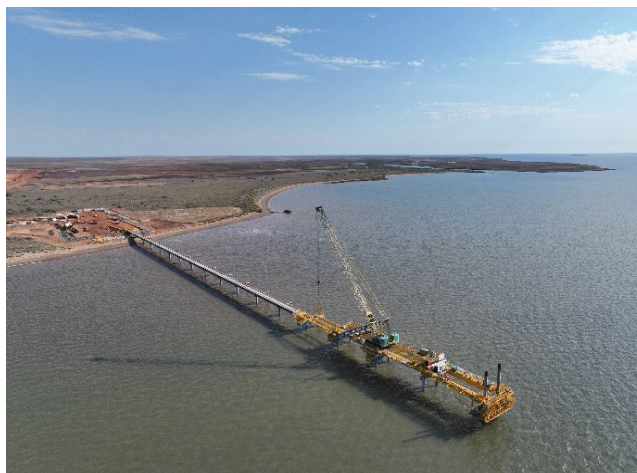


Image 4: Jetty progress

Salt and SOP Market

Average quarterly import prices into Asia have been relatively constant, with the average quarterly price between US\$52/t and US\$53/t CFR for 2023.

Recently increased caustic soda demand has seen a slight growth in Chinese salt prices.

SOP prices have decreased over Q2 and Q3 in line with Muriate of Potash (MOP) prices. Prices for granular SOP decreased from ~US\$900/t FOB (NW Europe) to US\$590/t at the end of September.

Offtake discussions have progressed with a number of interested counterparties throughout the Asian market. In early September, BCI accompanied the Western Australian Premier, the Hon. Roger Cook MLA, on the Government's Indonesia Connect Roadshow, which provided an opportunity to solidify relationships, foster new partnerships, and exchange insights.

Sustainability and approvals

BCI is making positive progress in relation to securing the final approvals required for the Optimised Mardie Project. In this regard, in accordance with Section 45(3) of the Environmental Protection Act 1986, on 19 October 2023, the Minister for Environment the Hon. Reece Whitby MLA determined that Environmental Protection Authority (EPA) Report 1740 relating to the Optimised Mardie Project, has been approved subject to the conditions set out in Ministerial Statement Number 1211. Full details are on the Government of Western Australia's EPA website.

The State's approval forms part of the process for BCI to obtain the environmental approvals needed to finalise the construction of the Mardie Project. This milestone now triggers the Commonwealth 30-day approval process, in accordance with the Environment Protection and Biodiversity Conservation Act 1999.

BCI's Managing Director, David Boshoff, said: *"This is a significant milestone for the Mardie Project, and a culmination of open and ongoing consultation with the EPA and WA Government. BCI is committed to rigorously managing the environmental conditions set by the Minister to ensure a sustainable multi-generational project".*

In another milestone during the quarter, BCI announced the endorsement of the 'Reflect' Reconciliation Action Plan (RAP) by the Board and Reconciliation Australia. This demonstrates BCI's dedication to fostering awareness and respect for the rich cultural heritage and history of Indigenous Australians and the Traditional Owners of the land and waters on which the company operates.

The RAP is an integral component of BCI's comprehensive framework designed to drive the advancement of reconciliation efforts and structures to firmly commit to these initiatives. The RAP program commenced in September and as a first step, BCI conducted internal cultural awareness training sessions for its employees, led by Mardie Traditional Owners.

Further, the company has successfully completed the baseline monitoring of mangroves adjacent to the project. This effort not only aligns with our dedication to environmental stewardship but also reflects a commitment to preserving Indigenous ecological knowledge. Yaburara and Mardudhunera Traditional Owners actively participated in the surveys, providing their traditional ecological insights. The survey design was approved by the EPA and will continue throughout the operational lifetime of the project.

CASH AND DEBT POSITION

BCI's cash balance at 30 September 2023 was \$121.4M (30 June 2023: \$109.5M). With ongoing Iron Valley royalty earnings, cash at bank, the drawn \$60M of convertible notes in July 2023 and the additional \$25M drawn from convertible notes in October 2023, BCI has sufficient funding to cover current contracted works.

Iron Valley

BCI EBITDA from Iron Valley for the September 2023 quarter was \$9.4M, comprising \$7.1M from 0.9M wmt shipped iron ore for the quarter, plus adjustments for finalisation of prior period provisional pricing and volume adjusted income. The September 2023 quarter result reflects provisional FOB prices based on an average headline 62% Fe iron ore price of US\$114/t, (prior quarter US\$111/t).

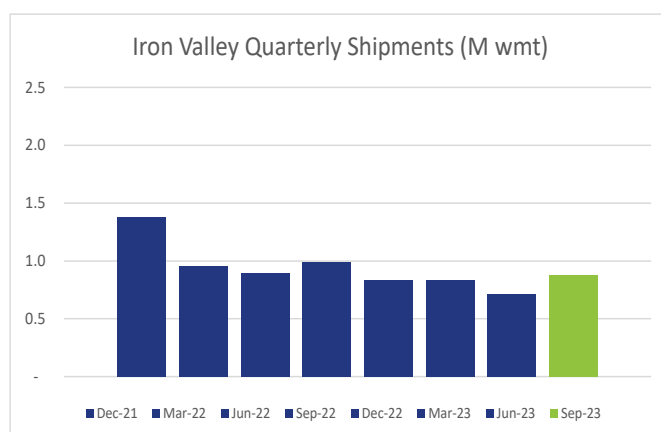


Figure 1: Iron Valley Quarterly Shipments (M wmt)

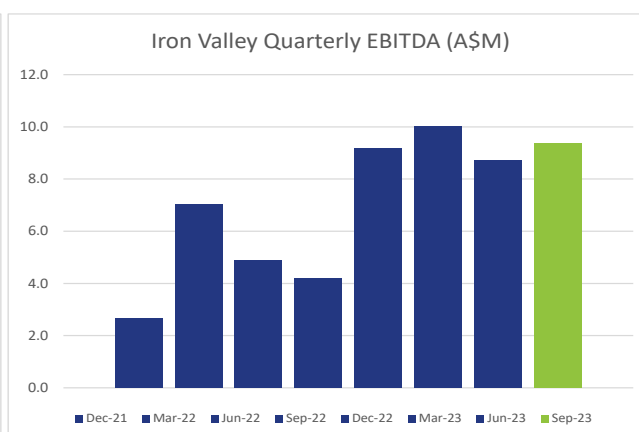


Figure 2: Iron Valley Quarterly EBITDA (A\$M)

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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 shareholdings in Highfield Resources Limited (ASX: HFR) and 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:	\$121.4M	As at 30 September 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	39.2%
	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.