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ASX Release
21 October 2021

MARDIE PROJECT - FINAL INVESTMENT DECISION MADE

- **BCI Board approves final investment decision (FID) for the Mardie Salt & Potash Project**
- **BCI will now proceed to finalise debt and equity funding arrangements**
- **Subject to funding and final approvals, main construction is targeted for early 2022**

BCI Minerals Limited (ASX:BCI) ('BCI' or the 'Company') is pleased to advise that the Board has made a final investment decision ('FID') regarding development of the Mardie Salt & Potash Project. This follows significant studies, approvals, market development and funding progress over a four-year period.

BCI completed a scoping study for Mardie in July 2017 which demonstrated Mardie's potential to be a Tier 1, globally significant salt asset. Since then, four further studies have been undertaken culminating in the Optimised Feasibility Study of April 2021 confirming this Tier 1 potential with projected annual EBITDA of ~A$260m and a project NPV_7 (ungeared, real) of more than A$1.6 billion.

Commenting on the Board decision, BCI's Non-executive Chairman, Brian O'Donnell, said: "*The BCI Board is pleased to see the Mardie Project reach this important milestone and we congratulate the BCI management team on delivering the project to this point. The final investment decision reflects our collective confidence that the project funding will be finalised in coming weeks, based on the expected approvals pathway and indications of interest received from existing shareholders, including Wroxby Pty Ltd, and potential new shareholders. The Mardie investment case is compelling with its large scale, low cost, and long operating life representing key attributes of a world class sustainable, multi-generational tier 1 asset.*"

Figure 1: Mardie Natural Salt Crystallisation on Mudflats



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BCI patiently worked through multiple criteria to de-risk the Mardie Project over several years, and the landmark $740M project finance debt package recently secured was the final criterion which provided confidence for the BCI Board to approve FID.

Other criteria integral to the BCI Board's decision included approval and tenure related milestones. Environmental approval is in its final stages with the Western Australian Environmental Protection Authority ('EPA') recommending to the WA Minister for Environment that the Mardie Project can be implemented subject to certain conditions. Following the completion of the final public appeals process, the Minister will consult with other WA Government Departments before making a decision. BCI anticipates this will occur within the next month. Other regulatory and access approvals which are either complete or (in the view of the BCI Board) largely or acceptably de-risked include pastoralist access, gas pipeline easement access, port reserve creation, port leases with the Pilbara Ports Authority ('PPA'), and native title agreements.

Additional elements that support FID include confirmation from lenders' independent technical expert reviews that Project development strategies, operating plans, revenue and cost estimates are robust. Also fundamental to the Board decision were the successful production of market specification salt and sulphate of potash ('SOP') samples from pilot plant test work, and BCI obtaining signed creditworthy memoranda of understanding ('MOUs') covering the first three years of salt and SOP production. The BCI Board views these MOUs (and current offtake negotiations) as illustrative of the expected sustained growth in Asian demand for high quality industrial salt, making this the right time for BCI to develop this Project.

Figure 2: Mardie Small Scale Trial Ponds



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Completion of an embankment trial has confirmed the robustness of planned pond construction methodology and materials, and early works at the main seawater intake structure are also underway.

Figure 3: Northern Embankment Trial – Rock Armoured Wall



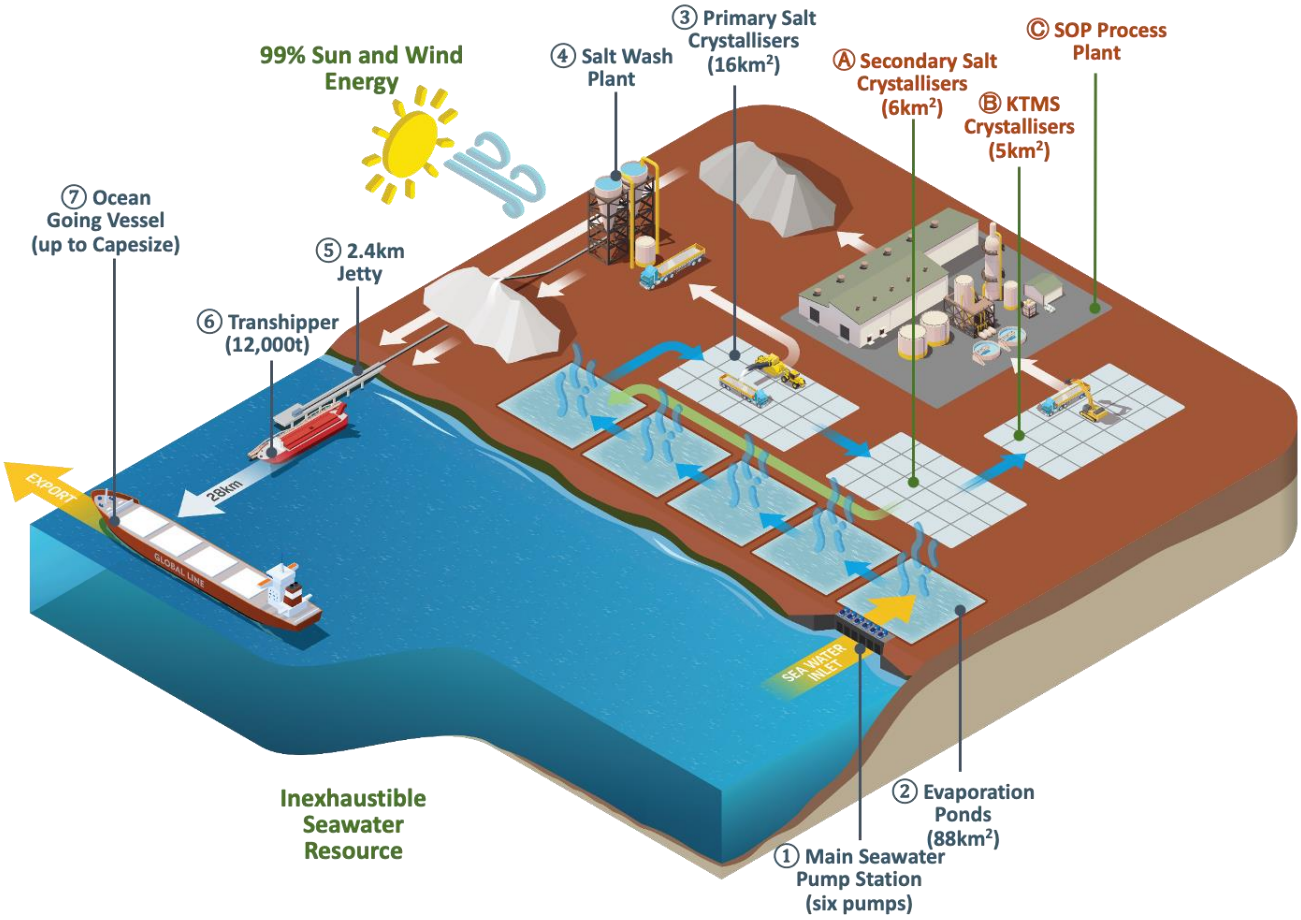
Expansion of the accommodation facilities will enable BCI to efficiently commence main construction as soon as final funding, approvals and tenure are secured.

Figure 4: Mardie Village Expansion



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The BCI Board's decision will see Mardie become the first new solar salt operation in Western Australia in almost 25 years, and the first to produce salt and SOP from seawater. The Project has strong green credentials with the Indian Ocean the inexhaustible feedstock, and natural solar and wind energy providing 99% of the energy required to produce salt and SOP. Mardie's sustainable production of agricultural fertiliser from salt waste, pollution prevention and materials recovery and re-use were key criteria in obtaining Green Commercial Loan Facilities as part of its $740M project finance debt package.



In the near term, BCI expects to receive Part IV environmental approval for the initial project footprint in November 2021, and associated mining leases to be granted shortly thereafter. Equity raising activities will also commence during this period, aimed at enabling main construction to commence in early 2022.

Commenting on the Board decision, BCI's Managing Director, Alwyn Vorster said: "*The FID milestone comes ten years after Mardie tenements were acquired for A$225,000 by BCI's predecessor, Iron Ore Holdings. It is an endorsement from the Board for the results delivered by the BCI team and provides a mandate to finalise funding and subject to final statutory approvals, progress to main construction. We are confident that with the ongoing support of our Board, shareholders and other stakeholders, BCI is on the cusp of creating a unique, sustainable project in Western Australia.*"

-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 company that is developing a salt and potash business supported by iron ore royalty earnings.

BCI is rapidly advancing its 100% owned Mardie Salt & Potash Project, a potential Tier 1 project located on the West Pilbara coast in the centre of Australia's key salt production region.

Mardie aims to produce 5.35Mtpa of high-purity salt (>99.5% NaCl) and 140ktpa of sulphate of potash (SOP) (>52% K_2O) via solar evaporation of seawater.[1] Using an inexhaustible seawater resource and a production process driven mainly by natural solar and wind energy, Mardie is a sustainable opportunity to supply the salt and potash growth markets in Asia over many decades. There is potential to optimise and expand the project beyond currently planned production levels.

A Final Investment Decision has been made and BCI is finalising funding, approvals and tenure to commence Main Construction in early 2022, which will allow first salt sales to be achieved by Q3 2024 and first SOP sales by Q4 2025.

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 EBITDA from Iron Valley was A$69.5M in FY21.

KEY STATISTICS

Shares on issue	599.96 million	
Cash in bank	$110 million	as at 31 July2021
Board	Brian O'Donnell	Non-Executive Chairman
	Alwyn Vorster	Managing Director
	Michael Blakiston	Non-Executive Director
	Jenny Bloom	Non-Executive Director
	Garret Dixon	Non-Executive Director
	Richard Court	Non-Executive Director
	Chris Salisbury	Non-Executive Director
Major shareholders	Wroxby Pty Ltd	39.5%
	Sandon Capital Pty Ltd	6.0%
Website:	www.bciminerals.com.au	

[1] Refer to ASX announcement dated 21 April 2021. BCI confirms that all material assumptions underpinning the production forecast and financial information derived from the production forecast have not materially changed and continue to apply.