

SEPTEMBER 2021 QUARTERLY RESULTS

MARDIE DEBT FUNDING SECURED & FID ANNOUNCED

- BCI Board reached final investment decision (FID) for the Mardie Salt & Potash Project
- \$740M debt package secured which will underpin Mardie's \$1.2Bn funding requirement
- Successful construction of trial embankment and accommodation facilities expanded
- Quarterly Iron Valley EBITDA to BCI of \$17.1M
- Cash balance of A\$87.4M¹ and zero debt

BCI Minerals Limited (ASX:BCI) ('BCI' or the 'Company') is pleased to present its quarterly activities report for the period ended 30 September 2021.

MARDIE SALT & POTASH PROJECT

Final Investment Decision

Following significant studies, approvals, market development and funding progress over a four-year period, the BCI Board has made a final investment decision ('FID') regarding development of the Mardie Salt & Potash Project.

Since 2017 BCI has completed four study phases culminating in the Optimised Feasibility Study in April 2021 confirming Mardie's Tier 1 potential with projected annual EBITDA of ~A\$260m and a project NPV7 (ungeared, real) of ~A\$1.6 billion.

Mardie is set to become the first new solar salt operation in Western Australia in almost 25 years, and the first to produce salt and sulphate of potash ('SOP') from seawater. The Project has strong green credentials with the Indian Ocean providing 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 approaches were key criteria in obtaining Green Commercial Loan Facilities as part of its \$740M project finance debt package.

BCI's Managing Director, Alwyn Vorster commented: *"The FID milestone comes ten years after Mardie tenements were acquired 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."*

¹ Excludes Iron Valley cash flow of A\$17.1M related to the September 2021 quarter which will be received in October 2021.

Project Finance Debt Package Secured

During the period BCI received approvals for \$740M of project finance debt for Mardie, subject to standard conditions and detailed documentation. Total funding of approximately \$1.2Bn is required to develop the Project to a capacity of 5.35Mtpa of salt and 140ktpa of SOP. This includes all construction, contingency, funding, interest, and ramp-up costs and will be funded by the \$740M debt package and approximately \$460M in equity from a combination of existing BCI cash, ongoing Iron Valley royalty earnings, potential corporate debt and new equity.

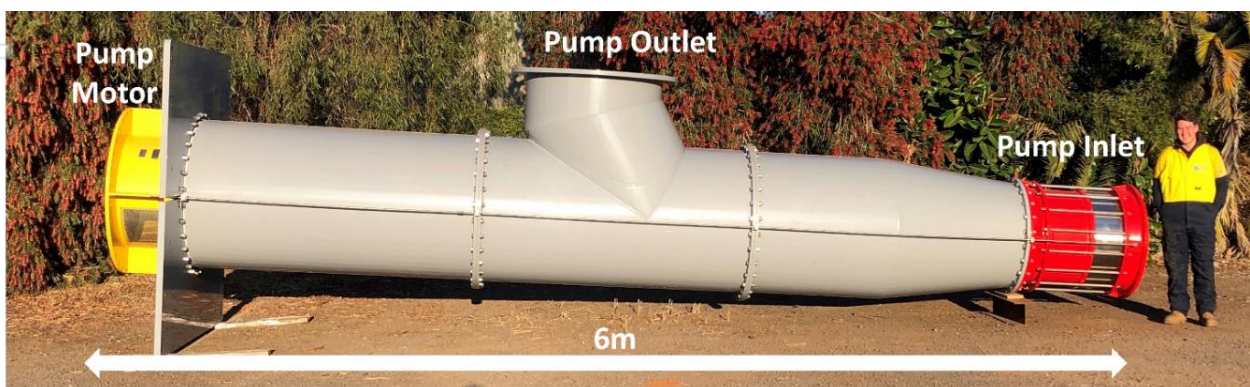
The \$600M of conditional federal government financing via the Northern Australian Infrastructure Facility ('NAIF') and Export Finance Australia ('EFA') recognises the long term benefits the Project will bring to the region over its 60+ year life, including ~\$8B of corporate taxes, \$800M in state royalties, \$200M of native title payments, multi-user export infrastructure, local jobs and contracts and indigenous engagement.

Mardie Site Activities

During the quarter, the northern embankment trial was completed, construction of the southern trial pond commenced, and a contract was awarded for the main seawater pump structure. These investigative works are an essential precursor to main construction to provide confidence about key assumptions, including materials availability, construction methodology, pond wall settlement, pumping rates, pond floor water retention, and cost and schedule assumptions.

Western Australian company, Ertech Geomarine, was awarded the contract for the main seawater pump structure. Work involves the design, procurement, construction, and commissioning of all the detailed earthworks, piling, structural steel, concrete, mechanical and electrical installations required to accommodate and operate six 3,000 litres per second pumps within the pump structure. Manufacturing of the pumps is almost complete with factory acceptance testing to be undertaken in November and delivery to site planned for January 2022.

Figure 1: Seawater Intake Pump



Civil works associated with the seawater intake structure form part of a broader contract awarded to WBHO Infrastructure in March 2021 which includes the northern embankment trial, southern trial pond (Pond 0), and after full regulatory and access approvals, Pond 1 and Pond 2. WBHO began bulk earthworks for Pond 0 in early September and is on track to complete construction access to the primary seawater pump structure within weeks.

Figure 2: Primary Seawater Intake Location and Access Works

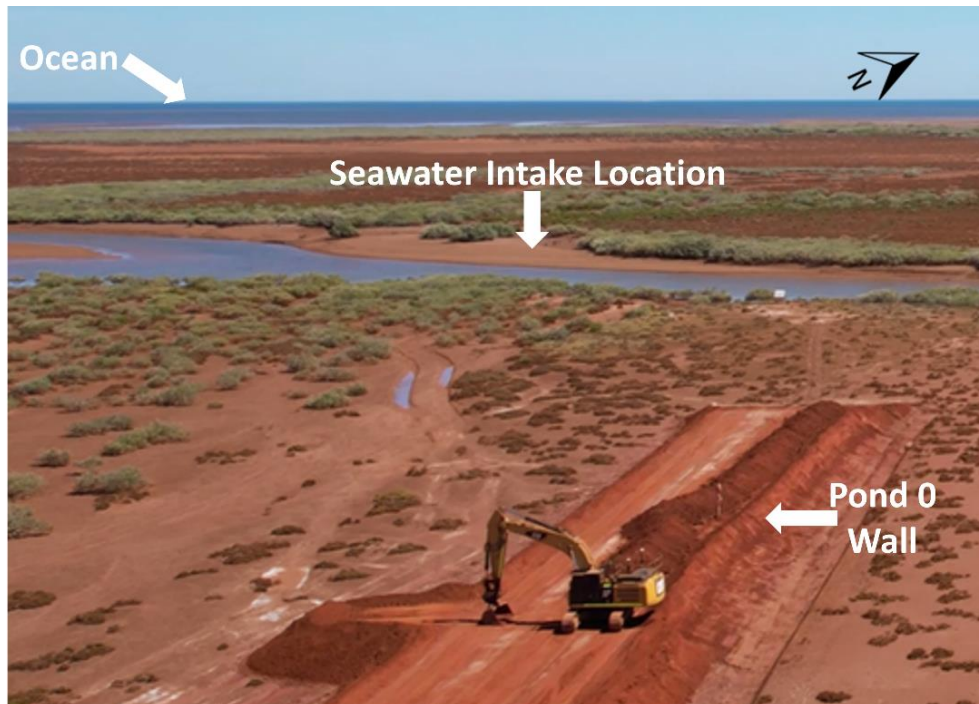
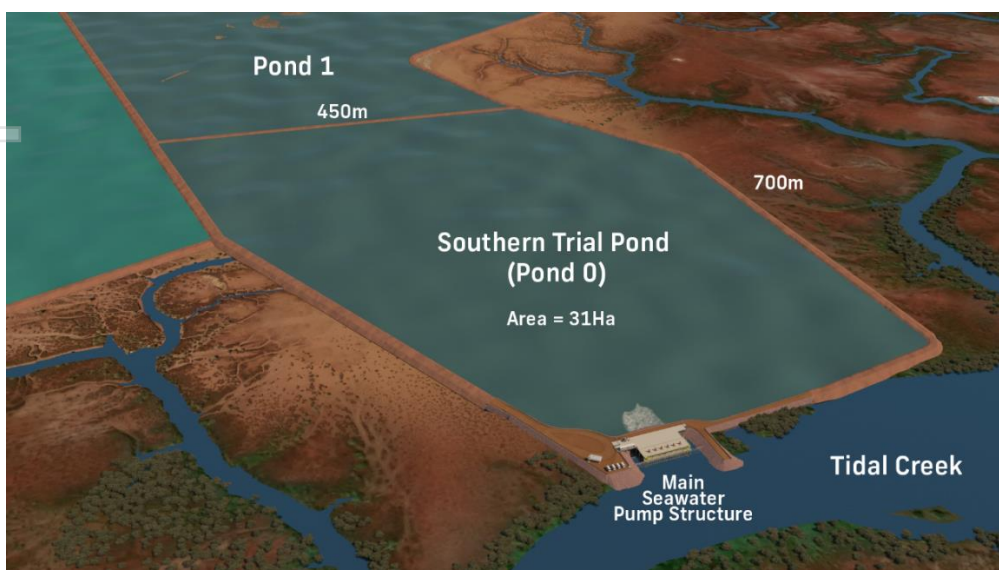


Figure 3: Layout of Primary Seawater Pump Structure and Pond 0



To support these investigative early works, expansion of the 80-bed exploration camp is proceeding with an additional 120 rooms delivered and tied-down and electrical and hydraulic connection to the units underway. Fabrication of the modular components for the combined dry and wet mess, gymnasium and communications room are in progress with delivery expected in November 2021. Following final regulatory approvals, the village will be further expanded to 400 beds to accommodate peak workforce during main construction.

Figure 4: Mardie Accommodation Facilities Expansion



Tenure and Approvals

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 access approvals, and native title agreements.

IRON VALLEY MINE

BCI EBITDA from Iron Valley in the September 2021 quarter was A\$17.1M, including a positive prior period adjustment of A\$5.3M, from 1.5Mt shipped. This represents a \$10M increase on the previous corresponding period, but a \$15.1M decline on the record June 2021 quarterly EBITDA due to a sharp pull back in headline 62% Fe iron ore prices, which averaged US\$165/t in the September quarter.

Figure 5: Iron Valley Quarterly Shipments (M wmt)

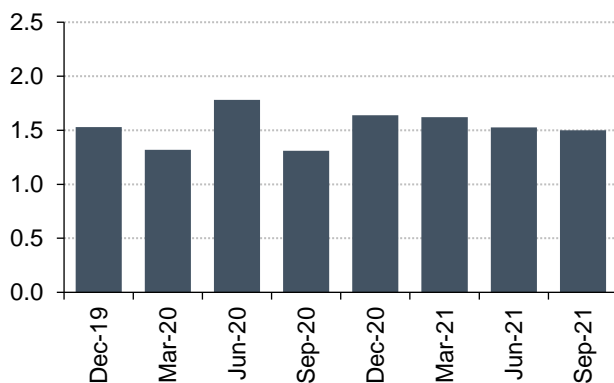
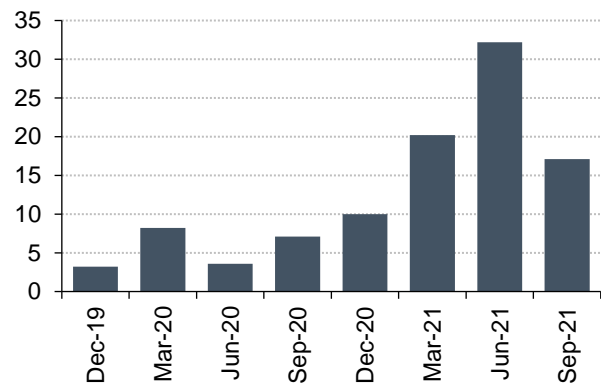


Figure 6: Iron Valley Quarterly EBITDA (A\$M)



CORPORATE

Cash and Debt Position

BCI's cash balance at 30 September 2021 was A\$87.4M (30 June 2021: A\$79.4M) and the Company remains debt free. Additional Iron Valley EBITDA of A\$17.1M from the September 2021 quarter will be received in October 2021.

Executive Appointments

As part of BCI transitioning into construction and operational phases, the following senior appointments have been made:

- Kerryl Bradshaw has been appointed as **Chief Financial Officer** (CFO) and will commence with BCI in January 2022. Kerryl qualified as a chartered accountant and has extensive experience in senior leadership, finance, technology and advisory roles. Kerryl's current role is Director of Microsoft Energy Industry, responsible for advancing their business in the global mining, infrastructure, oil & gas and manufacturing sectors. Before that, Kerryl was APAC Regional Director at Advisian (Worley subsidiary) where she led the merger of multiple advisory companies to create a new advisory business with more than 300 staff and contractors. Prior to Advisian, Kerryl held various senior roles at Rio Tinto, including General Manager Innovation, General Manager Strategy & Systems and Acting President South America Operations. In the earlier part of her career, she had roles with Standard Bank and EY. At BCI, Kerryl will be responsible for finance, commercial, technology, sustainability and business improvement workstreams.

- Simon Hodge, currently CFO, will become **Head of Commercial** from January 2022. He has been instrumental in developing the funding package for Mardie, including recently securing the \$740M Mardie debt facilities. Simon will continue to manage corporate and project funding, investor relations and business development.
- Jomana Al-Nu'airat joins BCI as **Manager Operations** from November 2021. She will be managing the site-based operations team, trial pond assets and pilot plant operations. Jomana has a Chemical & Mining Engineering background and has previously worked in the salt and potash industry as Process Engineer, including most recently at Kalium Lakes.
- John Sofield joined BCI as **General Manager, Project Engineering** in September 2021. John is responsible for all engineering studies and design activities for the Mardie Project, including the renewable energy solutions. John has over 20 years' experience working on resources projects from concept study through to completion including with Fortescue Future Industries, BHP, Covalent Lithium, Oz Minerals, Samsung, and Chevron.
- Xavier Coetzee joins BCI as **General Manager, Project Commercial** in November 2021. Xavier will be responsible for all construction contracts and procurement functions of the Mardie Project. Xavier has over 20 years' commercial and procurement management experience, and has held senior roles with various companies including Roy Hill and Covalent Lithium.

Health & Safety

BCI has an excellent safety record and remains focused on maintaining a safe working environment for its staff and contractors as site activities at the Mardie Project increase. There were no recordable injuries during the quarter and BCI has now recorded more than 6-years without a lost time injury ('LTI').

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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 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% K₂O) via solar evaporation of seawater. 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 required to commence Main Construction in early 2022, which will allow first salt sales to be achieved by late 2024 and first SOP sales by early 2026.

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	\$87.4 million	as at 30 September 2021
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	