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ASX Release
18 November 2021

$360M EQUITY RAISE LAUNCHED

$1.2 BILLION MARDIE FUNDING SOLUTION

- **$360M[1] capital raising launched to develop BCI's 100% owned Mardie Project on the Pilbara coast of Western Australia**
- **$240M Placement of ordinary New Shares at $0.43 per share including commitments from existing shareholder Wroxby of $110M[2] and new investor AustralianSuper[3] of $75M[2], with the balance underwritten by Canaccord**
- **$20M Share Purchase Plan ('SPP'), sub-underwritten by AustralianSuper with the ability to accept oversubscriptions**
- **At the election of BCI[1], up to $100M in Series 2 and Series 3 Convertible Notes may be issued to AustralianSuper, each with an exercise price of ~$0.6235, a 45% premium to the Placement Offer Price**
- **BCI will purchase AustralianSuper's shareholdings in Agrimin Limited and Highfield Resources Limited, funded by the issue to AustralianSuper of Series 1 Convertible Notes with an exercise price of ~$0.6235**
- **Subject to shareholder approvals at an EGM expected to be held on or about 20 December 2021 and final statutory approvals, the funding solution will allow construction to commence in early 2022**

BCI Minerals Limited (ASX:BCI) ('BCI' or the 'Company') is pleased to advise it has received significant commitments from cornerstone investors to provide the capital required for the development of its Mardie Salt & Potash Project ('Mardie').

The $360M capital raising, together with $100M from BCI's cash reserves, Iron Valley royalty stream and a proposed $40M corporate debt facility, when successfully completed, fulfils the Company's $460M equity requirement. This equity contribution and the recently announced $740M project finance debt package will complete the ~$1.2 billion funding package for Mardie construction and ramp-up activities.

The capital raising, subject to shareholder approvals, involves:

1. A Placement of $240M of ordinary New Shares at $0.43 per Share including commitments from existing shareholder Wroxby Pty Ltd ('Wroxby') of $110M[2], new investor AustralianSuper Pty Ltd[3] ('AustralianSuper') of $75M[2], with the balance underwritten by Canaccord Genuity (Australia) Limited ('Canaccord') including commitments from existing shareholders Ryder Capital Limited and Ryder Capital Management Pty Ltd $28.5M and Sandon Capital Pty Ltd ('Sandon') $3.5M[4];

[1] Up to $360M may be raised if $260M is raised by the issue of New Shares via combined Placement and SPP and all Series 2 and 3 Convertible Notes are issued, subject to the relevant shareholder approvals, and the Series 2 and 3 Convertible Note draw-down and issue conditions being met.
[2] Commitments are subject to scale back to a minimum of $100M for Wroxby and $70M for AustralianSuper.
[3] AustralianSuper Pty Ltd as trustee for AustralianSuper ('AustralianSuper').
[4] The commitments are conditional upon the underwriting agreement being in place. Refer to summary of the key terms of the underwriting agreement in the corporate presentation titled '$360M Capital Raising to Drive Development' released on the same date as this announcement.

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2. A Share Purchase Plan ('SPP') to raise $20M at $0.43 per Share which is underwritten to $20M by Canaccord and sub-underwritten by AustralianSuper, with the ability to accept oversubscriptions;[5] and
3. At the election of BCI, up to $100M in Series 2 and Series 3 Convertible Notes may be issued to AustralianSuper during 2022, each with an exercise price of $0.6235, a 45% premium to the Placement Offer Price. The draw by BCI of the Convertible Notes is conditional on prior consultation with project financiers as to additional conditions to the draw as may be required in connection with the project finance facilities.

As part of the transaction, BCI will purchase AustralianSuper's shareholdings in Agrimin Limited (ASX:AMN) and Highfield Resources Limited (ASX:HFR), funded by the issue to AustralianSuper of Series 1 Convertible Notes with an exercise price of $0.6235.

Commenting on the capital raising, BCI's Chairman, Brian O'Donnell said: "*Achieving the full $1.2 billion Mardie funding solution is a major milestone in BCI's history. The strong support from existing shareholders and new investors underscores the merits of the Mardie Salt & Potash Project as a long term, sustainable and integrated opportunity.*"

BCI's Managing Director, Alwyn Vorster added: *"BCI acknowledges the ongoing strong support from Wroxby, Ryder and Sandon who have backed the Company over a long period of time, allowing this milestone to be reached. BCI is also pleased to welcome AustralianSuper, the largest superannuation fund in Australia, as a cornerstone supporter of our capital raising. Mardie will turn an inexhaustible seawater resource into high quality salt and potash needed to produce thousands of products sustaining everyday life."*

Figure 1: Mardie Project Funding Structure

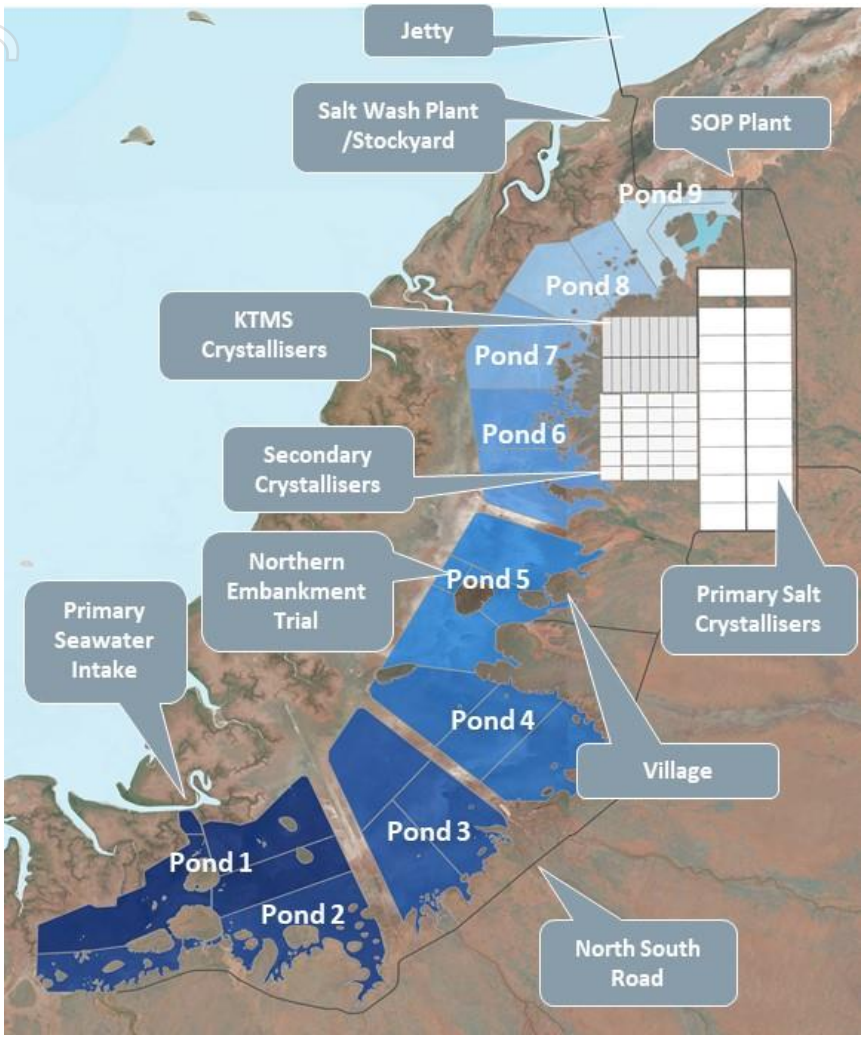


1. All facilities remain conditional on formal documentation, securing required tenure & approvals, equity funding, offtake arrangements, and other customary conditions precedent. 2. Northern Australia Infrastructure Facility 3. Export Finance Australia 4. Aligned with the Asia Pacific Loan Markets Associations' and Loan Market Association's Green Loan Principles. 5. Total contribution prior to first Project debt drawdown subject to future earnings performance of Iron Valley. Corporate debt facility for approximately $40M under negotiation with major European institutional bank for a 4-year term from drawdown in early 2022 with the facility serviced and secured by iron ore asset cashflows and subject to credit approval and formal documentation.

[5] The underwriting and sub-underwriting is subject to shareholder approval, but not the issue of New Shares under the SPP itself.

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Figure 2: Mardie Project Layout



Sources and Uses of Proceeds

Proceeds from the capital raising, together with existing cash, Iron Valley royalty earnings, corporate debt and project finance debt will be used to develop the Mardie Salt & Potash Project to production capacity[6] of 5.35Mtpa of salt and 140ktpa of Sulphate of Potash ('SOP').

At 16 November 2021, BCI had cash reserves of $106M, and forecasts additional Iron Valley cash receipts to become available for Mardie funding over the next 15-month equity contribution period. BCI is also in the final stages of negotiating a $40M corporate debt facility with a tier 1 international bank, secured against BCI's iron ore revenues from the Iron Valley mine. BCI has additional assets, including potential royalties and/or deferred payments from 'Koodaideri-South', Bungaroo South and Kumina and the shares it is acquiring from AustralianSuper which could supplement cash.

[6] 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.

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In total, BCI expects to have contributed $460M of Company funds to the Project to satisfy a condition precedent to the first drawdown of project finance debt, scheduled for March 2023, indicatively used as outlined below:

Table 1: Sources and Uses of Funds

Capital Sources	A$M	Capital Uses	A$M
Cash, earnings and corporate debt facility	100	Contribution to main construction budget	370
Placement	240		
Share Purchase Plan	20	Contribution to capitalised and ramp-up opex and financing costs	90
Convertible Notes (or other sources)	100		
Total	**460**	**Total**	**460**

Placement

The Placement Shares ('New Shares') will be issued in a single tranche, subject to shareholder approvals, and will rank equally with the Company's existing fully paid ordinary Shares on issue. The New Shares will be issued at A$0.43 per Share ('Offer Price'), representing a 10.4% discount to the closing Share price of A$0.48 on Tuesday, 16 November 2021, being the last day the Company's Shares were traded prior to this announcement, and a 10.6 discount to the 10-day volume weighted average price ('VWAP') of A$0.481.

As part of its cornerstone agreement, AustralianSuper has subscribed for $75M in the Placement. Firm commitments for an aggregate of up to $142M have been received from existing shareholders - Wroxby $110M, Ryder Capital Limited & Ryder Capital Management Pty Ltd $28.5M and Sandon $3.5M[7]. The Placement is subject to shareholder approval (including for Wroxby for the purposes of Listing Rule 10.11), and these commitments may be scaled back as agreed between the Company and the Underwriter.

Ryan Stokes, CEO of Wroxby's parent company, Australian Capital Equity Pty Ltd (ACE), commented: "*The ACE Group is pleased to make a substantial commitment of approximately $100M for New Shares, to support the Mardie Project. We are excited to see the Project reach this important milestone and recognise the work of the BCI team and Board. We believe that Mardie is a world class salt project which will create substantial value for BCI shareholders, the local community, and the State of Western Australia over many decades. We are attracted by the sustainable, renewable nature of solar salt, the Project's long life, and its scale - Mardie will be one of the largest solar salt projects in the world.*"

Peter Constable, Executive Director of Ryder Capital added: "*The Mardie Project is a significant development offering BCI shareholders ownership in a unique, sustainable and attractive long duration asset. We are pleased to continue to support the Project and the BCI Board and management team by way of our commitment to invest a further approximately $28.5M.*"

[7] The commitments are conditional upon the underwriting agreement being in place. Refer to summary of the key terms of the underwriting agreement in the corporate presentation titled '$360M Capital Raising to Drive Development' released on the same date as this announcement.

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Share Purchase Plan ('SPP') Details

In addition to the Placement, the Company will conduct a Share Purchase Plan to raise $20M with the ability to accept oversubscriptions. The SPP will be sub-underwritten by AustralianSuper to $20M (subject to shareholder approval). Eligible BCI shareholders as at the record date of 5.00pm AWST on Wednesday, 17 November 2021 with a registered address in Australia or New Zealand will be offered the opportunity under the SPP to apply for up to A$30,000 of New Shares (subject to scale back at the Company's discretion) at the same price as the New Shares offered under the Placement, being A$0.43. The terms and conditions will be detailed in a SPP Offer Booklet to be dispatched to eligible shareholders and released to the ASX on or about Friday, 26 November 2021.

Placement and SPP Indicative Timetable

The issue of New Shares under Placement and Convertible Notes (and underwriting and sub-underwriting of the SPP) will be subject to shareholder approvals at the Company's Extraordinary General Meeting ('EGM') to be held on or about Monday, 20 December 2021 with settlement on Thursday, 23 December 2021.

Table 2: Indicative Timeline

Event	Date
Trading halt	Wednesday, 17 November 2021
SPP record date	5pm WST Wednesday, 17 November 2021
Announcement of equity raising and Placement bookbuild	Thursday, 18 November 2021
Notice of Extraordinary General Meeting released	Thursday, 18 November 2021
Announcement of equity raising results and ASX trading resumes	Friday, 19 November 2021
SPP offer opens and SPP booklet dispatched	Friday, 26 November 2021
SPP closing date	Friday, 17 December 2021
Extraordinary General Meeting to approve Placement, Convertible Note issue & SPP underwriting	On or about Monday, 20 December 2021
Settlement of New Shares under Placement and SPP and Series 1 Convertible Notes	Thursday, 23 December 2021
SPP results announcement	Friday, 24 December 2021
Issue of the Series 1 Convertible Notes and issue of New Shares under Placement and SPP	Friday, 24 December 2021

Convertible Notes

BCI will issue up to three series of Convertible Notes to AustralianSuper in addition to its cornerstone support of the Placement and SPP sub-underwriting role. All Convertible Notes are subject to shareholder approvals.

As part of AustralianSuper's investment, and funded by the Series 1 Convertible Notes, BCI will acquire AustralianSuper's shareholdings in Highfield Resources (ASX: HFR) and Agrimin Limited (ASX: AMN). On completion, BCI will become a ~7% shareholder in HFR, which owns 100% of the Muga Potash and Salt Project

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in northern Spain, and a ~15% shareholder in AMN which owns the large-scale Mackay Potash project in the eastern Pilbara. These investments will sit alongside BCI's interest in the Carnegie project, managed by Kalium Lakes Limited (ASX:KLL), which provide potential future upside to BCI shareholders. BCI is pleased to acquire these investments, which enables AustralianSuper to consolidate its salt and potash investments within BCI.

Two additional series of Convertible Notes, each series up to $50M, will provide BCI with the option to drawdown up to $100M of new capital during 2022. The inclusion of the Series 2 and Series 3 Convertible Notes drawable at BCI's option provides it with some flexibility to manage the overall funding package. The draw of the Convertible Notes is conditional on alignment of key terms with the project finance facilities.[8]

As part of the Convertible Note agreement, AustralianSuper has a director nominee right, pursuant to which it can nominate a director to the BCI Board for so long as it holds at least 15% of the Shares on issue.

Other key terms of the three Convertible Notes are set out in Attachment A below and in BCI's notice of extraordinary general meeting to be dispatched to shareholders.

Advisors

Canaccord Genuity (Australia) Limited is Lead Manager and Underwriter to a component of the Placement and $20M of the SPP, subject to shareholder approval, with Bell Potter Limited acting as Co-Lead Manager. UBS acted as a financial advisor in specific phases of the raise.

-END-

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

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FORWARD LOOKING STATEMENTS

This document 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 document, and are expressed in good faith for general guide only and should not be relied upon as an indication or guarantee of future performance. BCI believes it has reasonable grounds for making the forward-looking statements. However, forward-looking statements relate to future events and expectations and as such are subject to known and unknown risks, and significant uncertainties and other factors, many of which are outside the control of BCI. Actual results may differ materially from future results expressed or implied by such forward-looking statements. None of BCI, its affiliates or their directors, officers, employees, associates, advisers, agents or

[8] Draw down of the Series 2 Convertible Notes and the Series 3 Convertible Notes is conditional on the Company and AustralianSuper discussing and agreeing by 30 June 2022 such additional conditions to the issue of the relevant Series as the Company's project financers may reasonably require.

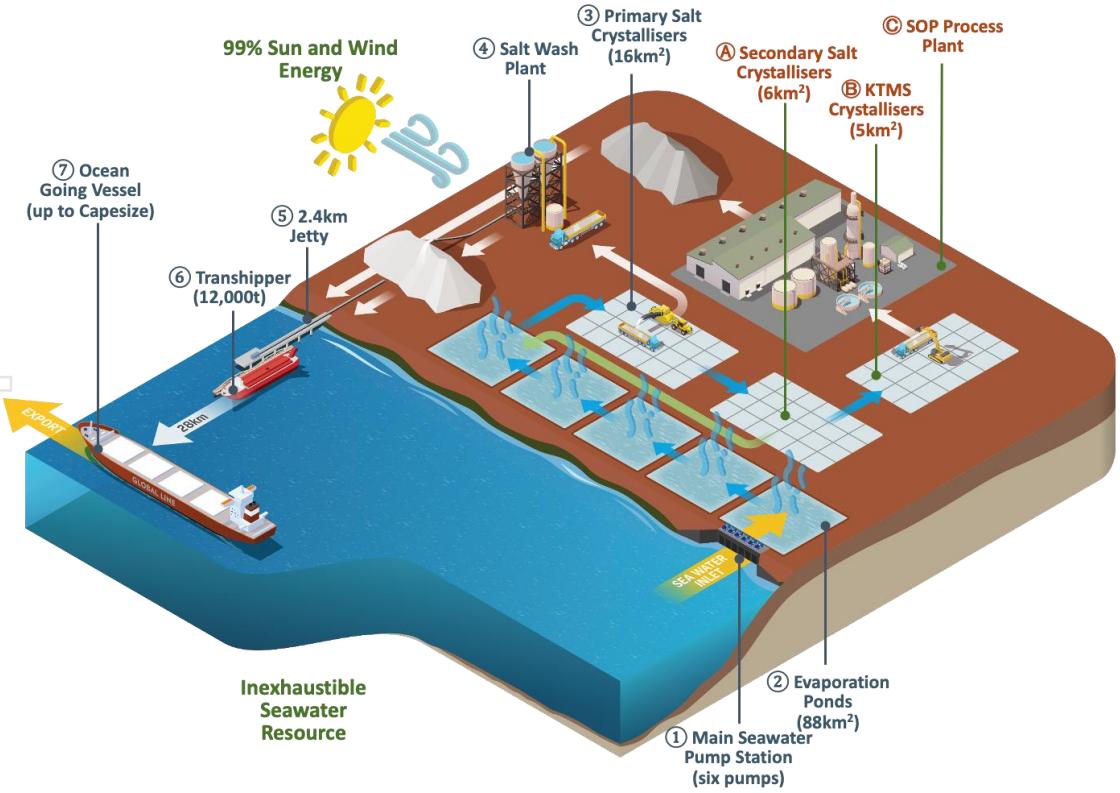
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contractors makes any representation or warranty (either expressed or implied) as to the accuracy or likelihood of fulfilment of any future looking statement, or any events or results expressed or implied in any forward-looking statement, except to the extent required by law. You are cautioned not to place undue reliance on any forward-looking statement. The forward-looking statements in this document reflect views held only as at the date of this document. 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 document.

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.[9] 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.



[9] 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.

A Final Investment Decision has been made and BCI is completing funding, approvals and tenure with the aim of commencing main construction in early 2022, which will allow first salt sales to be achieved by Q4 2024 and first SOP sales by Q1 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, and $17.1M in the first quarter of FY22. BCI also has other assets, including potential royalties and/or deferred payments from Koodaideri South, Bungaroo South and Kumina.

KEY STATISTICS

Shares on issue	599.96 million	
Cash in bank	$106.2 million	as at 16 November 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	

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ATTACHMENT A: Key terms of Convertible Notes

Convertible Notes	Series 1	Series 2	Series 3
Consideration	31,147,824 ordinary shares in Agrimin Ltd (ASX:AMN) 26,349,498 ordinary shares in Highfield Resources Ltd (ASX:HFR)	Up to $50M cash drawable prior to 30 Sep 2022	Up to $50M cash drawable prior to 31 Dec 2022
Issue Size / Face Value	$29.1M	Up to $50M, as drawn by BCI at its election	Up to $50M, as drawn by BCI at its election
Issue	Subject to shareholder approval and the Placement New Shares being issued to AustralianSuper	At such time BCI draws up to $50M before 30 September 2022, but subject to the Series 1 notes being issued and BCI shareholder approval for AustralianSuper's voting power to exceed 20% (or any creep capacity)	At such time BCI draws up to $50M before 31 December 2022, but subject to the Series 1 notes being issued and BCI shareholder approval for AustralianSuper's voting power to exceed 20% (or any creep capacity)
Drawdown Condition		Draw down of the Series 2 Convertible Notes and the Series 3 Convertible Notes is conditional on the Company and AustralianSuper discussing and agreeing by 30 June 2022 such additional conditions (if any) to the issue of the relevant Series as the Company's project financers may reasonably request	
Term	10 years from completion date (unless all redeemed or converted earlier)	8 years from Series 2 issue date (unless all redeemed or converted earlier)	8 years from Series 3 issue date (unless all redeemed or converted earlier)
Coupon/Yield	0%	5% accruing daily and capitalised quarterly	
Establishment Fee	0%	2% of face value	
Conversion	Each Convertible Note converts into BCI Shares at a conversion price of $0.6235 per Share 45% premium to Offer Price (subject to customary adjustments and adjustment on change of control)		
Conversion Rights	Subject to any BCI shareholder approval required to the extent that any conversion would result in AustralianSuper having a voting power in BCI which exceeds 20% as a result of any conversion, AustralianSuper has the right to convert into Shares 3.5 years after issuance or upon announcement of a change in control or following an event of default (each as defined below)	Subject to BCI shareholder approval being obtained for AustralianSuper's voting power in BCI to exceed 20% (or its creep capacity, as applicable) as a result of the conversion, AustralianSuper has the right to convert into Shares 3 years after issuance or upon announcement of a change in control or following an event of default (each as defined below)	

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Convertible Notes	Series 1	Series 2	Series 3
Change in control	A 'change in control' means: (1) the announcement of a takeover offer under which the bidder proposes to obtain a relevant interest in 50% or more of the BCI Shares then on issue, and the bidder is either Wroxby (or a related party thereof) or any other third party bidder (excluding AustralianSuper or a related party or affiliate thereof) where that bid is recommended by the BCI board; or (2) the announcement of a scheme of arrangement by BCI under which a third party would obtain a relevant interest in 50% or more of the Shares then on issue; or (3) the acquisition by any person at any time of (i) a relevant interest in 50% or more of the BCI Shares then on issue or (ii) control or (iii) all or substantially all of the assets or business of the BCI group.		
Events of default	Events of default include payment defaults by BCI, breach of the terms of the Convertible Notes by BCI, an insolvency event with respect to any member of the BCI group or a material adverse effect occurring with respect to BCI.		
Settlement	At least 20 business after notification by AustralianSuper of intention to convert		
Issuer Call Option	BCI may issue an optional call notice to redeem some or all of the Convertible Notes at any time before the maturity date. If the redemption date is more than 3.5 years after issuance, AustralianSuper may elect to convert the notes to New Shares or to be redeemed for cash. Conversion notice takes precedence over redemption notice, if given	BCI may issue an optional call notice to redeem all of the Convertible Notes on any date more than 4 years after issuance and before the maturity date. AustralianSuper may then elect to convert the notes to New Shares or allow them to be redeemed for cash, but BCI has the election in relation to accrued yield	BCI may issue an optional call notice to redeem all of the Convertible Notes on any date more than 5 years after issuance and before the maturity date. AustralianSuper may then elect to convert the notes to New Shares or allow them to be redeemed for cash, but BCI has the election in relation to accrued yield
Issuer Optional Redemption	BCI may redeem all unconverted Convertible Notes in the event of a change in control or default		
Mandatory Redemption at Maturity	Convertible Notes will be redeemed by BCI for cash for 100% of the outstanding principal at maturity		
Break Fee	nil	1% of the difference between the maximum face value for the relevant series ($50M for each series) and the actual face value drawn down and issued	
Anti-dilution	The Convertible Notes have standard anti-dilution adjustments.		