

MARDIE PROJECT UPDATE

Further to recent ASX announcements (from January 2022 to April 2022), BCI Minerals Ltd (**BCI** or the **Company**), provides a further update in relation to the Mardie Salt & Potash Project, including the previously announced and currently ongoing cost and design review.

Mardie is experiencing significant cost increases due to well publicised market conditions. In addition, BCI expects some aspects of the Project design to change, in order to comply with third party approvals, and is considering some additional design changes to improve long term resilience of the Project to extreme weather events.

BCI continues to assess further value engineering opportunities, conduct reviews of design assumptions and advance design maturity of all packages to reduce risk and partially offset the cost increases. The Company will confirm the projected net impact of market conditions, design changes, remaining approvals and cost saving initiatives when the reviews have been sufficiently advanced to produce a reliable cost estimate.

The Company expects that a combination of time to complete these reviews, delays to secondary approvals, delays due to weather effects year to date, impact of COVID protocols and other factors, is likely to result in the first salt on ship date being extended, indicatively to 2H 2025.

BCI has current cash reserves of \$209m plus other financial assets including the \$100m convertible notes issued in December 2021. This will enable BCI to continue construction work according to the new schedule in a balanced and responsible manner for the remainder of the current financial year. Once a reliable cost estimate has been established, BCI will discuss funding solutions (which may include asset sales) with shareholders and lenders.

BCI intends to update the market further on progress by late July 2022.

-END-

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

For further information:

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Managing Director

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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 ~5.3Mtpa 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 will become a sustainable supplier to the global salt and potash growth markets, delivering benefits to BCI stakeholders over many decades. 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 Highfield Resources Ltd (ASX:HFR) and potential royalties and/or deferred payments from iron ore projects at Koodaideri South, Bungaroo South, Kumina and Nullagine.

KEY STATISTICS

Shares on issue	1,206.2 million	
Cash in bank	\$209 million	as at 30 June 2022
Board	Brian O'Donnell	Non-Executive Chairman
	Alwyn Vorster	Managing Director
	Michael Blakiston	Non-Executive Director
	Garret Dixon	Non-Executive Director
	Richard Court	Non-Executive Director
	Chris Salisbury	Non-Executive Director
	Miriam Stanborough	Non-Executive Director
Major shareholders	Wroxby Pty Ltd	39.5%
	AustralianSuper Pty Ltd	14.8%
	Ryder Capital Ltd (and related)	9.2%
Website:	www.bciminerals.com.au	