

SEPTEMBER 2022 QUARTERLY REPORT

- **David Boshoff appointed as Managing Director, commencing November 2022**
- **Mardie Village complete; occupancy certificates received for 400-bed accommodation**
- **Primary seawater intake station 75% complete with one of six pumps installed by 30 September**
- **Pond construction well progressed; completion rate of ~80% for Ponds 1-2 and ~30% for Ponds 3-5**
- **Cost and design review nearing completion**
- **Average salt and SOP prices relatively stable during the quarter; remain well above 2021 levels**
- **Iron Valley EBITDA to BCI of \$3.5M for September 2022 quarter**
- **Cash balance of \$188M and zero net debt at 30 September 2022**
- **BCI is well funded for its modified FY23 construction program, with \$188M cash, access to \$100M of convertible notes subject to shareholder approval and ongoing Iron Valley royalty earnings.**

BCI Minerals Ltd (**BCI** or the **Company**) is pleased to present its quarterly activities report for the period ended 30 September 2022.

MARDIE SALT & POTASH PROJECT

Site Activities

Solid progress has been made at Mardie over the September quarter with several key Project components approaching the final stages of completion.

The seawater intake station is now more than 75% complete, with all six of the 3,000 litres/second capacity pumps expected to be in position within a month. Generators, fuel tanks and the switch room have been installed and dry commissioning is expected to commence in the December quarter.

Figure 1: Seawater Intake Station



Figure 2: Intake Pump Installation



Construction of Ponds 1 and 2 is nearing completion (~80% complete) with rock armour for the sea walls yet to be applied. The impending upgrade to the intersection of Mardie Road with the North-West Coastal Highway will enable rock delivery by triple road trains.

Figure 3: Ponds 1 and 2



Q-Birt, the earthworks contractor for Ponds 3, 4 and 5, commenced work in July and is progressing to plan (~30% complete) with Pond 3 expected to be finished around the end of calendar year 2022. The earthworks for the transfer station between Ponds 2 and 3 and the permanent road crossing over the Santos and Chevron pipelines was also commenced in the period and is ~30% complete.

The 400-bed accommodation village is now complete and occupancy certificates have been received. BCI staff and contractors from SRG Global (Ponds 1 and 2), Q-Birt (Ponds 3-5) and Ertech Marine (Seawater Intake Station) are currently occupying 45% of the village. Full occupancy is anticipated next calendar year when pond construction and the marine structures package are underway concurrently and operations have commenced with the filling of initial ponds.

Figure 4: Accommodation Village



Figure 5: Central Facilities



The marine structures package was approximately 20% complete as at the end of September, which was on track against plan. The jetty will be constructed by McConnell Dowell using a traveller and crane to drive piles and extend the jetty head. Fabrication of the traveller, piling gates and other temporary works have been completed and they are ready for shipping. Fabrication of components for the permanent structure are well underway with steel piles more than 80% complete, structural steel approximately 45% complete and the contract for precast concrete awarded locally. BCI expects to award the jetty causeway contract in the near term, with work to be completed in 1H 2023. Completion of this work will enable McConnell Dowell to commence construction of the jetty.

Salt and SOP market conditions

The average price of Australian salt imported into China (based on government trade information) was US\$49.42/t (CIF) in the September 2022 quarter, down from US\$53.89/t in the June 2022 quarter, but well above the US\$42.71/t average for the 2021 calendar year.

Sulphate of Potash (SOP) prices remained strong in the September 2022 quarter with the NW Europe bulk granular SOP price averaging US\$1,117/t (FOB), marginally lower than the US\$1,173/t (FOB) average for the June 2022 quarter, but still almost double the US\$633/t (FOB) average in 2021.

Offtake negotiations for Mardie salt and SOP are progressing with large Asian off-takers and trading companies, covering more than 50% of steady state production.

Cost and Design Review Progress

As outlined in previous announcements, significant cost increases have been experienced across Mardie construction packages. In addition, there are costs associated with Project design modifications to comply with third party approvals and potential design changes to improve the long-term resilience of the Project to extreme weather events.

BCI has been assessing value engineering opportunities, conducting reviews of design assumptions, and advancing design maturity of all packages, to reduce risk and partially offset the cost increases. BCI expects that capital cost estimation and design maturity will be sufficiently advanced by the end of 2022, to enable meaningful discussions to commence with debt and equity providers in relation to funding the project to completion.

IRON VALLEY MINE

BCI EBITDA from Iron Valley for the September 2022 quarter was \$3.5M comprising \$5.8M from 1.0 Mt shipped and adjusted for finalisation of prior period provisional pricing. The September quarter result reflects provisional FOB prices based on an average headline 62% Fe iron ore price of US\$103/t, a decline against the prior quarter's US\$138/t, but with reduced ore quality discounts.

Figure 6: Iron Valley Quarterly Shipments (M wmt)

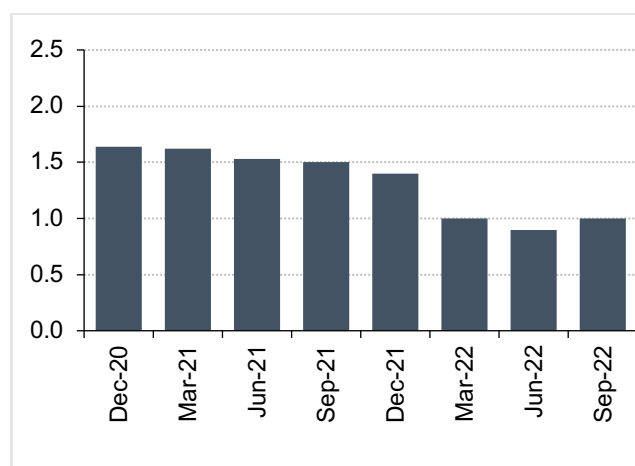
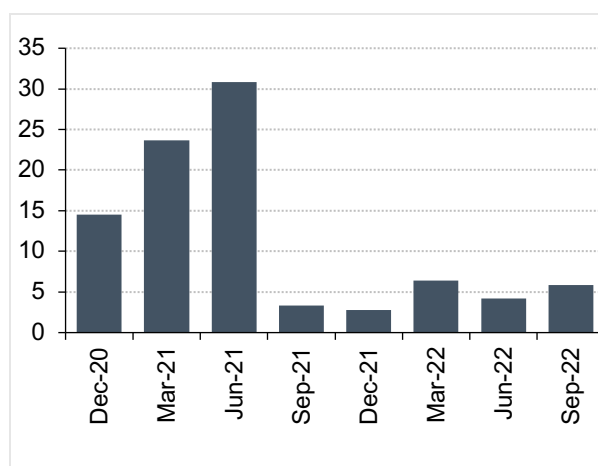


Figure 7: Iron Valley Quarterly EBITDA¹ (A\$M)



CORPORATE

Board and Executive Changes

BCI is pleased to announce the appointment of David Boshoff as Managing Director, commencing in November 2022. Mr Boshoff brings more than 20 years' leadership experience in the mining industry to BCI, including the delivery of large capital projects. Mr Boshoff holds an Executive Master's degree in Business Administration from the University of Melbourne Business School and is a graduate of the Australian Institute of Company Directors. He also holds a Master's degree in Mining Engineering from the University of Pretoria.

Ms Kerryl Bradshaw will continue as Interim Chief Executive Officer until Mr Boshoff commences, following which she will resume the role of Chief Financial Officer.

Health, Safety, People and Culture

BCI has an excellent safety record and remains focused on maintaining a safe working environment for its employees and contractors. BCI's TRIFR as at September 30, 2022 was 4.8

Cash and Debt Position

BCI's cash balance at 30 Sept 2022 was \$188M (30 June 2022: \$209M) and the Company's net debt remains zero. With cash in the bank, access to \$100m of convertible notes, ongoing Iron Valley royalty

¹ Historic quarterly EBITDA results have been restated for presentation purposes to illustrate the contribution of shipments in each quarter incorporating final pricing adjustments in the relevant quarter.



earnings and potential asset sales, BCI will have sufficient construction funding to cover all current and scheduled contract awards for the full financial year to June 2023 without requiring further capital.

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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 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	\$188.0 million	as at 30 September 2022
Board	Brian O'Donnell	Non-Executive Chairman
	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