

1 December 2022

ASX Market Announcements Office

Dear Sir/Madam

CLEANSING NOTICE UNDER SECTION 708A(12C) OF THE CORPORATIONS ACT 2001 (CTH)

BCI Minerals Limited ABN 21 120 646 924 (ASX: BCI) (**BCI** or **Company**) gives this cleansing notice (**Cleansing Notice**) under section 708A(12C)(e) of the *Corporations Act 2001* (Cth) (**Corporations Act**) as amended by the ASIC Corporations (Sale Offers: Securities Issued on Conversion of Convertible Notes) Instrument 2016/82 (the **Instrument**).

The Company hereby gives notice that:

- (a) the series 3 convertible notes (**Series 3 Convertible Notes**) (as approved by shareholders at the Company's annual general meeting on 24 November 2022) were issued without disclosure to investors under Part 6D.2 of the Corporations Act; and
- (b) this Cleansing Notice has been given in accordance with section 708A(12C)(e) of the Corporations Act as amended by the Instrument.

The issue of this Cleansing Notice enables any fully paid ordinary shares in the capital of the Company (**Shares**) issued by the Company upon conversion of the Series 3 Convertible Notes on the terms described below, to be on-sold to retail investors without further disclosure.

The Cleansing Notice is important and should be read in its entirety.

As announced on 18 November 2021, the Company entered into a convertible note subscription deed with AustralianSuper Pty Ltd as trustee for AustralianSuper (**AustralianSuper**) which provided for the issue of up to three series of convertible notes by the Company to AustralianSuper (**Deed**). The series 1 convertible notes were issued to AustralianSuper in December 2021.

As announced on 30 September 2022, the Company and AustralianSuper agreed to vary the Deed such that:

- BCI will not draw down on the series 2 convertible notes;
- the maximum face value of the Series 3 Convertible Notes is increased from \$50M to \$100M and the maximum face value of the series 2 convertible notes is reduced to zero; and
- subject to shareholder approval being received (including for the purpose of ASX Listing Rule 7.1 and item 7 of section 611 of the *Corporations Act 2001* (Cth) (**Series 3 Shareholder Approvals**)), BCI will draw down \$100M in Series 3 Convertible Notes from AustralianSuper on the date which is 5 business days after the announcement by the Company to the ASX that the Series 3 Shareholder Approvals have been obtained.

Pursuant to the Deed (as varied), the Company has issued 160,384,924 Series 3 Convertible Notes in consideration for the subscription price of \$100,000,000 paid by AustralianSuper to the Company. The Directors consider that the raising of capital by the issue of the Series 3 Convertible Notes is in the best interests of the Company.

1 Contents of this Cleansing Notice

This Cleansing Notice sets out the following:

- (a) in relation to the Series 3 Convertible Notes:
 - (i) the effect of the issue on the Company;
 - (ii) a summary of the rights and liabilities attaching to the Series 3 Convertible Notes;
 - (iii) a summary of the rights and liabilities attaching to the Shares that will be issued on the conversion of the Series 3 Convertible Notes;
- (b) any information that:
 - (i) has been excluded from continuous disclosure notices in accordance with the ASX Listing Rules; and
 - (ii) is information that investors and their professional advisors would reasonably require for the purpose of making an informed assessment of:
 - (A) the assets and liabilities, financial position and performance, profits and losses and prospects of the Company; and
 - (B) the rights and liabilities attaching to the Shares; and
- (c) other information relating to the Company's status as a disclosing entity.

2 The effect of the issue on the Company

The principal effect of the issue of the Series 3 Convertible Notes on the Company will be to:

- (a) result the Company receiving the aggregate amount of the Face Value of the Series 3 Convertible Notes (\$100,000,000) from AustralianSuper;
- (b) increase the number of unquoted convertible notes that the Company has on issue from 46,662,048 to 207,046,972 (comprising the series 1 convertible notes issued in December 2021 and the Series 3 Convertible Notes);
- (c) give rise to the Company having a liability for the aggregate amount of the Face Value of the Series 3 Convertible Notes (\$100,000,000) plus any accrued fees and interest. Part of this liability will be accounted for in equity, representing the conversion rights of the instrument; and

- (d) if the Series 3 Convertible Notes are converted, either wholly or in part, to Shares, increase the number of Shares as a consequence of the issue of Shares on such conversion.

3 Potential effect on capital structure

As at the date of this Cleansing Notice, the issued capital of the Company is as follows:

Class of security	Number
Ordinary shares	1,211,480,407
Performance Rights	11,832,010
Share Rights	2,342,335
Series 1 Convertible Notes	46,662,048
Series 3 Convertible Notes	160,384,924

The maturity date of the Series 3 Convertible Notes is 8 years after date of issuance (unless all Series 3 Convertible Notes are redeemed or converted earlier) (**Maturity Date**).

AustralianSuper may elect to convert the Series 3 Convertible Notes into Shares at the Conversion Price at any time from 3 years after issue, or on an announcement of a change in control or following an event of default, and prior to the Maturity Date.

Upon conversion, the number of Shares to be issued to AustralianSuper will be calculated on the following basis: Principal Outstanding / Conversion Price.

The “**Principal Outstanding**” is the face value of the Series 3 Convertible Notes, together with the establishment fee accrued and capitalised interest (if any). Interest will accrue on the Principal Outstanding of the Series 3 Convertible Notes at 5% per annum, and will be capitalised quarterly. Alternatively, the Company may elect to make interest payments in cash.

The “**Conversion Price**” is the initial conversion price of \$0.6235 adjusted for certain corporate actions of the Company during the term of the Series 3 Convertible Notes in accordance with certain adjustment rules.

Assuming that the Series 3 Convertible Notes accrue interest at 5%, capitalised from the date of issue of the Series 3 Convertible Notes until maturity, and the establishment fee of 2% is capitalised and accrues interest from the date of issue of the Series 3 Convertible Notes until maturity, a total of 243,587,790 Shares would be issued on conversion of the Series 3 Convertible Notes at maturity.

For further information regarding potential adjustments to the Conversion Price, please see the adjustment rules annexed in the notice of general meeting and explanatory memorandum to shareholders as lodged with the ASX by the Company on 18 November 2021 (**2021 Notice of Meeting**).

In addition, the total number of convertible notes on issue has increased from 46,662,048 Series 1 Convertible Notes to 207,046,972, comprising the series 1 convertible notes and the Series 3 Convertible Notes.

4 Rights and liabilities attaching to the Series 3 Convertible Notes

A broad summary of the rights, privileges and restrictions attaching to the Series 3 Convertible Notes was set out in the notice of annual general meeting and explanatory memorandum to shareholders as lodged with the ASX by the Company on 25 October 2022 (**2022 Notice of AGM**) and is reproduced in Schedule 1 of this Cleansing Notice (noting any terms not defined in Schedule 1 have the same meaning as in the 2022 Notice of AGM). The summary is not exhaustive and does not constitute a definite statement of the rights and liabilities attaching to the Series 3 Convertible Notes.

5 Rights and liabilities attaching to Shares issued on conversion of Series 3 Convertible Notes

Any Shares issued on conversion of the Series 3 Convertible Notes will rank equally in all respects with all of the Company's then existing Shares. The rights and liabilities attaching to the Shares, including any new Shares to be issued on the conversion of the Series 3 Convertible Notes, are set out in the Company's constitution, and, in certain circumstances, regulated by the Corporations Act, the ASX Listing Rules and the general law. The Company's constitution can be inspected free of charge at the Company's registered office during normal business hours.

The Company intends to apply to ASX for quotation of any Shares issued on conversion of any Series 3 Convertible Notes.

The following is a broad summary of the rights, privileges and restrictions attaching to all Shares. This summary is not exhaustive and does not constitute a definitive statement of rights and liabilities of Shareholders.

General meetings	Each Shareholder is entitled to receive notice of and to attend general meetings for the Company and to receive all notices, accounts and other documents required to be sent to Shareholders under the Constitution of the Company, the Corporations Act or the Listing Rules.
Voting	Every holder of Shares present in person or by proxy, attorney or representative at a meeting of Shareholders has one vote on a vote taken by a show of hands, and, on a poll every holder of Shares who is present in person or by proxy, attorney or representative has one vote for every Share held by him or her, and a proportionate vote for every Share, registered in such shareholder's name on the Company's share register. A poll may be demanded by the chairman of the meeting, by any five Shareholders entitled to vote on the particular resolution present in person or by proxy, attorney or representative, or by any one or more Shareholders who are together entitled to not less than

	5% of the total voting rights of, or paid up value of, the Shares of all those Shareholders having the right to vote on the resolution.
Dividends	Dividends may be paid to Shareholders as declared by the Board at its discretion.
Liquidation	If the Company is wound up, the liquidator may, with the authority of a special resolution, divide among the Shareholders in kind the whole or any part of the property of the Company, and may for that purpose set such value as he considers fair upon any property to be so divided, and may determine how the division is to be carried out as between the Shareholders or different classes of Shareholders.
Rights on winding up	If the Company is wound up, the right of a Shareholder to participate in the distribution of the surplus assets of the Company is dependent upon the class of shares they hold.
Transfer of Shares	A Shareholder may transfer Shares by a market transfer in accordance with any computerised or electronic system established or recognised by the Listing Rules or the Corporations Act for the purpose of facilitating transfers in Shares or by an instrument in writing in a form approved by ASX or in any other usual form or in any form approved by the Directors. The Directors of the Company may refuse to register any transfer of Shares, (other than a market transfer) where the Company is permitted or required to do so by the Listing Rules or the ASX Settlement Operating Rules. The Company must not prevent, delay or interfere with the registration of a proper market transfer in a manner which is contrary to the provisions of any of the Listing Rules or the ASX Settlement Operating Rules.
Variation of rights	If at any time the share capital is divided into different classes of shares, the rights attached to any class (unless otherwise provided by the terms of issue of the shares of that class), whether or not the Company is being wound up, may be varied with the consent in writing of the holders of 75% of the issued shares of that class or if authorised by a special resolution passed at a separate meeting of the holders of the shares of that class.
ASX Listing Rules	If the Company is admitted to the Official List, then despite anything in the constitution of the Company, if the Listing Rules prohibit an act being done, the act must not be done. Nothing in the constitution prevents an act being done that the Listing Rules require to be done. If the Listing Rules require an act to be done or not to be done, authority is given for that act to be done or not to be done (as the case may be). If the Listing Rules require the constitution to contain a provision or not to contain a provision the constitution is deemed to contain that provision or not to contain that provision (as the case may be). If a provision of the constitution is or becomes inconsistent with the Listing Rules, the constitution is deemed not to contain that provision to the extent of the inconsistency.

6 Compliance with disclosure obligations

The Company is a disclosing entity under the Corporations Act and, as such, is subject to regular reporting and disclosure obligations under both the Corporations Act and the ASX Listing Rules.

These obligations require the Company to notify ASX of information about specific events and matters as they arise. In particular, the Company is obliged to continuously disclose to the market immediately any information which a reasonable person would expect to have a material effect on the price or the value of the Shares.

The Company is also required to prepare and lodge with ASIC yearly and half-yearly financial statements accompanied by a directors' statement and report, and an audit report or review. Copies of documents lodged with ASIX in relation to the Company may be obtained from, or inspected at, an ASIC office.

The Company will provide a copy of each of the following documents, free of charge, to any person on request:

- (a) the annual financial report most recently lodged by the Company with ASIC, being the financial report of the Company for the year ended 30 June 2022 (**Annual Report 2022**);
- (b) any half-year financial report lodged by the Company with ASIC after the lodgement of the Annual Report 2022 and before lodgement of this Cleansing Notice with ASX; and
- (c) any continuous disclosure notices given by the Company to ASX after the lodgement of the Annual Report 2022 and before the lodgement of this Cleansing Notice with ASX.

A list of the continuous disclosure documents given by the Company to ASX after lodgement of the Annual Report 2022 and before lodgement of this Cleansing Notice is set out in the table below. All of these documents will be provided, free of charge, to any person on request and are available on the ASX website at www.asx.com.au and the Company's website at www.bciminerals.com.au/investors/asx-announcements/2022.

Name of ASX announcement	Date of ASX announcement
Notification regarding unquoted securities	1 December 2022
Change of Director's Interest Notice – D. Boshoff	28 November 2022
Change of Director's Interest Notice – M. Stanborough	28 November 2022
Notification regarding unquoted securities – BCI	28 November 2022
Application for quotation of securities – BCI	28 November 2022
Results of Annual General Meeting	24 November 2022

2022 Annual General Meeting Chairman's & MD's Presentation	24 November 2022
2022 Annual General Meeting Chairman's & MD's Address	24 November 2022
Initial Director's Interest Notice – D. Boshoff	21 November 2022
Quarterly Activities Report	28 October 2022
Letter to Shareholders – Notice of Annual General Meeting	25 October 2022
Notice of Annual General Meeting/Proxy Form	25 October 2022
Appendix 4G and Corporate Governance Statement	25 October 2022
Annual Report	25 October 2022

7 Information Excluded from Continuous Disclosure Notices

As at the date of this Cleansing Notice, the Company advises that it has fully complied with its disclosure obligations under the ASX Listing Rules and the Corporations Act, and, in particular, there is no information which the Company has excluded from any of its continuous disclosure notices given in accordance with the ASX Listing Rules and the Corporations Act as at the date of this Cleansing Notice which it would be reasonable for investors and their professional advisors to require for the purpose of making an informed assessment of:

- (a) the assets and liabilities, financial position and performance, profits and losses and prospects of the Company; and
- (b) the rights and liabilities attaching to the Series 3 Convertible Notes under the Deed and the any Shares issued upon their conversion.

-END-

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

For further information:

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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 rapidly advancing 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 5.35 Mtpa of high-purity salt (>99.5% NaCl) and 140 ktpa 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 be 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	1,211.5 million	
Cash in bank	\$140.8 million	as at 31 October 2022
Board	Brian O'Donnell David Boshoff Michael Blakiston Garret Dixon Richard Court Chris Salisbury Miriam Stanborough	Non-Executive Chairman Managing Director Non-Executive Director Non-Executive Director Non-Executive Director Non-Executive Director Non-Executive Director
CFO	Kerryl Bradshaw	
Major shareholders	Wroxby Pty Ltd AustralianSuper Pty Ltd Ryder Capital Ltd (and related)	39.5% 14.8% 9.2%
Website:	www.bciminerals.com.au	

Schedule 1

Feature	Summary
Face Value	The total face value of the Series 3 Convertible Notes is \$100,000,000.
Term	The maturity date of the Series 3 Convertible Notes is 8 years after date of issuance (unless all Series 3 Convertible Notes are redeemed or converted earlier) (Maturity Date).
Status	<p>Prior to conversion, the Series 3 Convertible Notes will rank equally with all other unsecured and unsubordinated debt obligations of the Company and confer rights on AustralianSuper as an unsecured creditor of the Company. However, they do not confer on AustralianSuper rights as a member of the Company or any right to attend or vote at general meetings of the Company.</p> <p>Any Shares issued on conversion of the Convertible Notes will rank equally with all other fully paid ordinary shares of the Company (see “Conversion at AustralianSuper’s election”, “Conversion on change in control” and “Conversion on Event of Default” below).</p>
Establishment Fee	Upon issue of the Series 3 Convertible Notes, an establishment fee equal to 2% of the face value of the issued Series 3 Convertible Notes will be capitalised and the face value of the Series 3 Convertible Notes will be adjusted accordingly.
Interest	Interest will accrue daily on the face value of the Series 3 Convertible Notes at 5% per annum, and will be capitalised quarterly and added to the face value of the Series 3 Convertible Notes. Alternatively, the Company may elect to make interest payments in cash (rather than have them be capitalised and added to the face value), or pay cumulative capitalised interest in cash immediately prior to the issue of Shares upon conversion following AustralianSuper exercising its conversion rights for the Series 3 Convertible Notes.
Conversion at AustralianSuper’s election	AustralianSuper may elect to convert the Series 3 Convertible Notes into Shares at the Conversion Price (adjusted as set out below) at any time from 3 years after issuance until (but excluding) the Maturity Date.
Conversion on change in control	<p>AustralianSuper has the right to elect to convert issued Convertible Notes into Shares at the Conversion Price (adjusted as set out below), upon:</p> <p>(a) the announcement of a takeover offer made by Wroxby Pty Ltd, or a related party of it, or any other third party bidder (not including AustralianSuper), which offer is recommended by the Board of the Company, under which the bidder proposes to obtain a relevant interest in 50% or more of the Shares on issue;</p>

Feature	Summary
	<p>(b) the announcement of a scheme of arrangement by the Company under which a third party would obtain a relevant interest in 50% or more of the Shares on issue; or</p> <p>(c) the acquisition by any person at any time of a relevant interest in 50% or more of the Shares on issue or control (as defined in section 50AA of the Corporations Act) of the Company or all or substantially all of the assets or business of the Company,</p> <p>(Change of Control Event) (including during the non-conversion period), by providing a notice to the Company within 20 business days of the Change of Control Event occurring.</p>
Conversion on Event of Default	<p>AustralianSuper may, at any time (including during the non-conversion period), elect to convert the Series 3 Convertible Notes into Shares at the Conversion Price (adjusted as set out below) if an Event of Default (defined below) is subsisting with respect to any Convertible Notes.</p>
Approvals on conversion	<p>The Company has obtained the Series 3 Shareholder Approvals. Additionally, for so long as the Series 3 Convertible Notes remain outstanding, the Company has undertaken to take all actions needed to maintain corporate authorisations as may be required to enable Shares to be issued on conversion of the Convertible Notes (provided nothing shall require the Company to obtain further item 7 section 611 approval).</p>
Conversion Price and adjustments	<p>Upon conversion of the Series 3 Convertible Notes the subject of a Conversion Notice, the number of Shares to be issued to AustralianSuper will be calculated on the following basis: Principal Outstanding / Conversion Price.</p> <p>The 'Principal Outstanding' in relation to the Series 3 Convertible Notes the subject of a Conversion Notice is the initial face value of those Series 3 Convertible Notes, as adjusted to reflect any establishment fee and accrued and capitalised interest.</p> <p>The Conversion Price in respect of the Series 3 Convertible Notes is the initial conversion price of \$0.6235 adjusted for certain corporate actions of the Company in accordance with the Adjustment Rules referred to below. The Conversion Price may be adjusted multiple times if required by the Adjustment Rules.</p> <p>The total number of Shares to be issued on conversion of the Series 3 Convertible Notes the subject of a Conversion Notice shall be rounded to the nearest whole number of Shares.</p>
Redemption at Company's election	<p>On any date which is 5 years or more after the date of issuance until (but excluding) the maturity date of the Series 3 Convertible Notes, the Company may issue an optional call notice to AustralianSuper specifying a Redemption Date for all (but not some only) of the Series 3 Convertible Notes. No later than the date which is 5 business days prior to the</p>

Feature	Summary
	Redemption Date, AustralianSuper may notify the Company that it elects (in its sole discretion) for the Series 3 Convertible Notes to be converted into Shares.
Mandatory redemption on maturity	<p>To the extent that all of the Series 3 Convertible Notes have not yet been converted on or before the Maturity Date, then the Series 3 Convertible Notes not already converted will be redeemed by the Company for cash for 100% of the then outstanding principal amount upon maturity.</p> <p>The Company may also redeem all Series 3 Convertible Notes not already converted for 100% of the then outstanding principal amount in cash if a Change of Control occurs, and AustralianSuper has not made a conversion election within 20 business days of being notified of the Change of Control occurring.</p>
Redemption at AustralianSuper's election on Event of Default	If an Event of Default occurs (defined below), AustralianSuper may require the Company to redeem the outstanding Series 3 Convertible Notes for cash for 100% of the then outstanding principal amount of those Series 3 Convertible Notes.
Event of Default	An "Event of Default" includes customary events, including relating to a failure to pay amounts due, in respect of the Series 3 Convertible Notes, breach of agreement, misrepresentation, cross-default, insolvency events or enforcement processes, circumstances occurring which would result in a material adverse effect, fundamental changes to the Company's main business undertaking or the Company ceasing to be listed on the ASX or suspended from trading for more than 15 consecutive ASX trading days in any 12 months.
Governance Rights	<p>AustralianSuper may nominate a director to the Board of the Company while it remains the holder of at least 14.5% of the Company's issued Shares.</p> <p>Until such time as AustralianSuper appoints a nominee director to the Board and for as long as AustralianSuper remains the holder of at least 14.5% of the issued Shares, AustralianSuper shall be entitled to have an observer at the Company's Board meetings.</p>
Undertakings	<p>The Company must comply with various customary undertakings prior to the maturity date, including in relation to the conduct of its business, non-disposal of material assets, not making material changes to its constitution and compliance with laws.</p> <p>For so long as a series of Convertible Notes remains outstanding and prior to the date 5 business days after a Change of Control event (if any), the Company also undertakes to consult with AustralianSuper prior to issuing any ordinary shares, equity securities or debt securities for the primary purpose of raising capital for the Company or entering into debt financing</p>

Feature	Summary
	agreements (other than certain permitted debt facilities), however consent of AustralianSuper is not required for any such transactions or agreements.
Representations and warranties	The Company gives customary representations and warranties including in relation to registration, power and capacity, solvency, authorisations, compliance with law, ranking, capital structure, accuracy of information and litigation (as applicable).
Transfer of Convertible Notes	AustralianSuper may, at any time, without the consent of the Company, transfer all or some of the Series 3 Convertible Notes to any of its affiliates, any replacement trustee, the trustee of any successor superannuation fund, or any entity or trust that is wholly-owned by AustralianSuper or any of its affiliates (or any custodian or replacement custodian of such persons) by any proper instrument of transfer.
Adjustment Rules	The adjustment rules applicable to the Convertible Notes are as set out in in Annexure A to the explanatory memorandum accompanying the 2021 Notice of Meeting.