

# 2023 Annual General Meeting





**Brian O'Donnell**  
BCI Chair (Non-Executive)



**BCI Minerals acknowledges and has deep respect for the ongoing physical and spiritual connection Aboriginal people have to the land associated with our projects.**

**BCI acknowledges the Traditional Custodians of country throughout Australia and pays respect to the Whadjuk people of the Noongar nation as the Perth Traditional Owners, the Mardie Traditional Owners the Yaburara and Mardudhunera people and also the Robe River Kuruma people and the Iron Valley Traditional Owners the Nyiyaparli people and their connections to land, sea and community.**

**We pay respect to the past and present Traditional Custodians and Elders of the lands we impact and the continuation of cultural, spiritual and educational practices of First Nations People.**





## BCI Board

**Chair (Non-Executive)**  
**Mr Brian O'Donnell**

**Director (Non-Executive)**  
**Ms Gabrielle Bell**

**Director (Non-Executive)**  
**Hon. Mr Richard Court AC**

**Director (Non-Executive)**  
**Mr Chris Salisbury**

**Managing Director**  
**Mr David Boshoff**

**Director (Non-Executive)**  
**Mr Garret Dixon**

**Director (Non-Executive)**  
**Ms Miriam Stanborough AM**

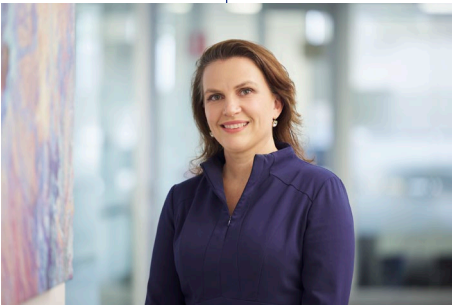
**Company Secretary**  
**Ms Stephanie Majteles**



# BCI Executive team



**Managing Director**  
**David Boshoff**



**Chief Financial Officer**  
**Kerryl Bradshaw**



**Head of External Relations**  
**Arron Minchin**



**General Counsel / Company Secretary**  
**Stephanie Majteles**



**Project Director**  
**Tim Deighton**

# Year in review – FY23



Revenue

**A\$66.4M**

Net profit after tax

**A\$9.4M**

Group EBITDA

**A\$12.6M**

Net assets

**A\$431.5M**

Gross debt CNs

**A\$102.5M**

Cash and Cash Equivalents

**A\$109.5M**

A\$121.4M at 30 Sept 2023

## Mardie Salt and Potash Project

Mardie is a future tier 1 solar evaporation project that will be a sustainable supplier of salt and potash for generations.

Base Capital <sup>1</sup>

**\$1421M**

Contingency

**\$208M**

First salt on ship

**Mid-2026**

### Progress update

- ✓ Project approvals and tenure progressed
- ✓ Construction packages completed and delivered in line with, or under, the expected cost
- ✓ Offtake and financing negotiations progressing well

### Overall construction progress to 30Sept 2023:

27.8%



Cumulative Capex spent

**\$409M**

As at 30 Sept 2023

Project Commitments

**\$594M**

As at 30 Sept 2023

<sup>1</sup> Includes \$405M already spent. Base Capital \$1,287m and contingency \$156m excluding SOP plant.

# Key project highlights

Mardie is one of the highest quality, largest scale new salt projects globally



Attractive market fundamentals



Strong demand from potential offtakers



Construction significantly progressed with high quality scalable infrastructure



Positive Stakeholder Relationships



Improved Projected financial returns<sup>1</sup>

<sup>1</sup> Refer slide 10



Updated and more robust capital and operating cost estimates with advanced engineering design



Significant progress on funding



## Cost and design review

BCI has undertaken a full review of all capital packages, development schedules, production profiles and operational costs to complete a compelling new Base Case. The results of this review are as announced to market in June 2023<sup>1</sup>.



Quantitative and technical independent reviews by industry experts, delivering a Base Case that **demonstrates strong returns to investors for generations.**



De-risking activities have **increased confidence in cost and performance** of estimates, with strong contractor relationships and contracts being delivered at or under base case estimate.



The design and cost review process has **incorporated lessons learned and increased the overall robustness and operability** of the Project.

<sup>1</sup> Refer to ASX Announcements dated 20 June 2023 "Mardie Project and Base Case Update – Presentation" and "Mardie Project and Base Case Update – Presentation Script"



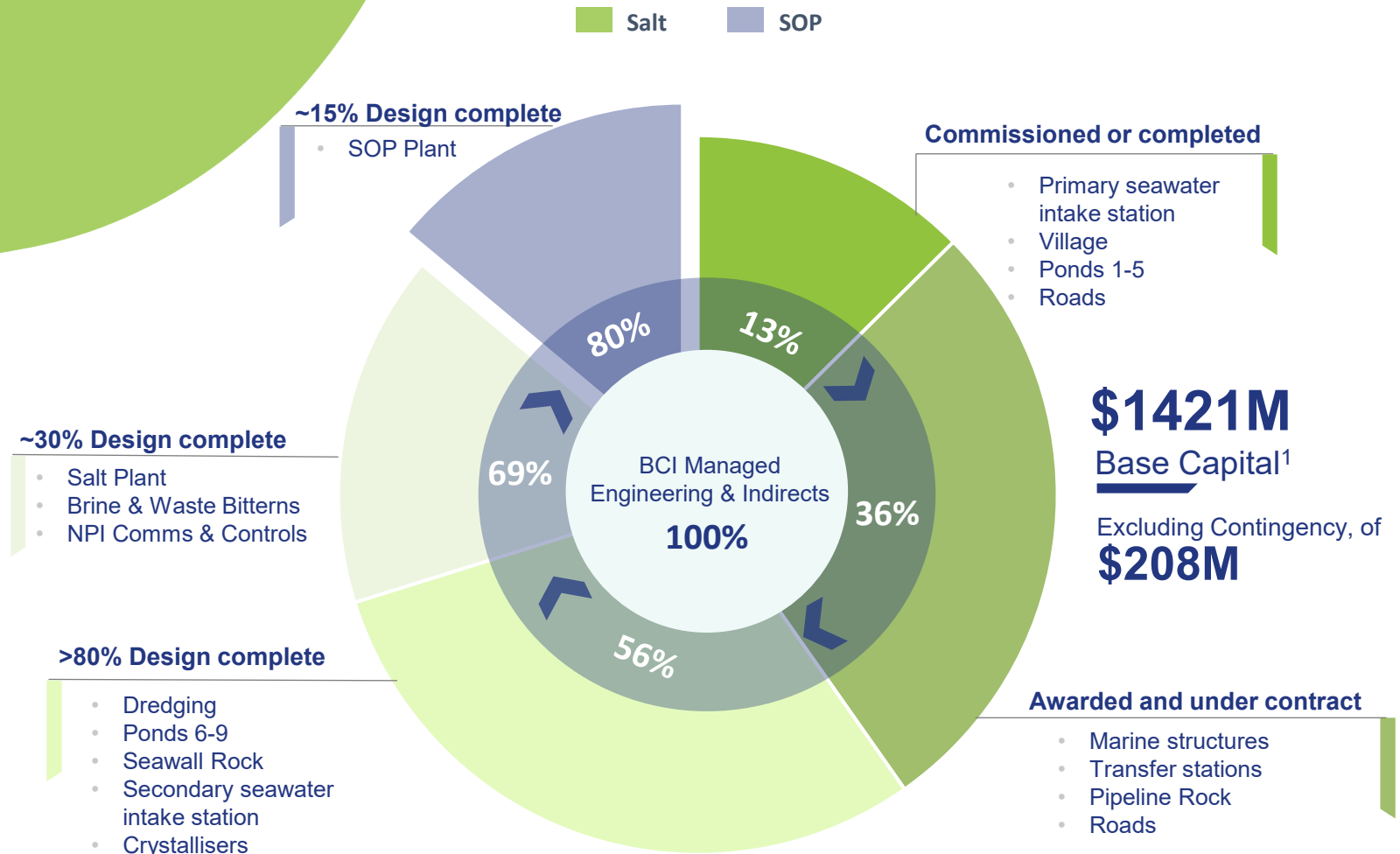
# Confidence in design

The Mardie project has been reconfigured to focus on salt as the initial product, with SOP plant design to be progressed during FY24.

Of the \$1,421M\* Project Mardie base capital:

- 36% has been committed and either constructed or is under construction
- 56% is complete or has a design maturity of 80% or above
- the Salt Plant is nearing award

<sup>1</sup>All percentages calculated from the base estimate \$1,421M which excludes contingency. Base Capital \$1,287m and contingency \$156m excluding SOP plant.



# Attractive and sustainable economic performance

Long life project 60+ years annuity style cashflows to support debt capacity and long-term equity returns<sup>1</sup>

The Mardie Project is anticipated to deliver:

- Project NPV<sub>7</sub> \$2.6Bn<sup>1</sup> compared to FID of NPV<sub>7</sub> \$1.5Bn<sup>2</sup>
- First cashflows in 2026 with positive operating cashflow from salt only, with SOP earnings providing upside
- Attractive and long-term net cash flows of ~\$378M p.a. (steady state) over the project life

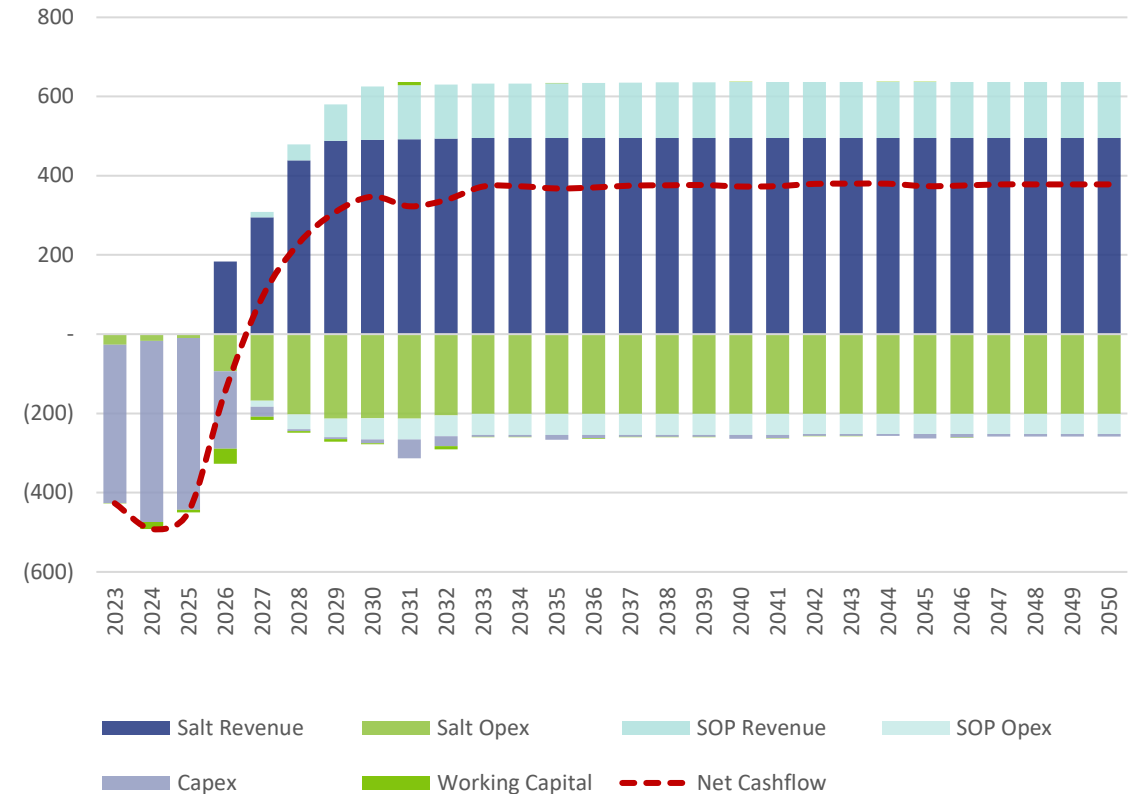
## Competitive Opex Est. Maintained

Assumption	Units	FID	Updated base case
Salt AISC	A\$/t FOB, Real LOM	21.5	23.0
SOP AISC	A\$/t FOB, Real LOM	337	385

<sup>1</sup> Please refer to BCI's ASX announcement dated 20 June 2023 for details of material underlying assumptions and risks relating to forward looking statements

<sup>2</sup> NPV is real, ungeared

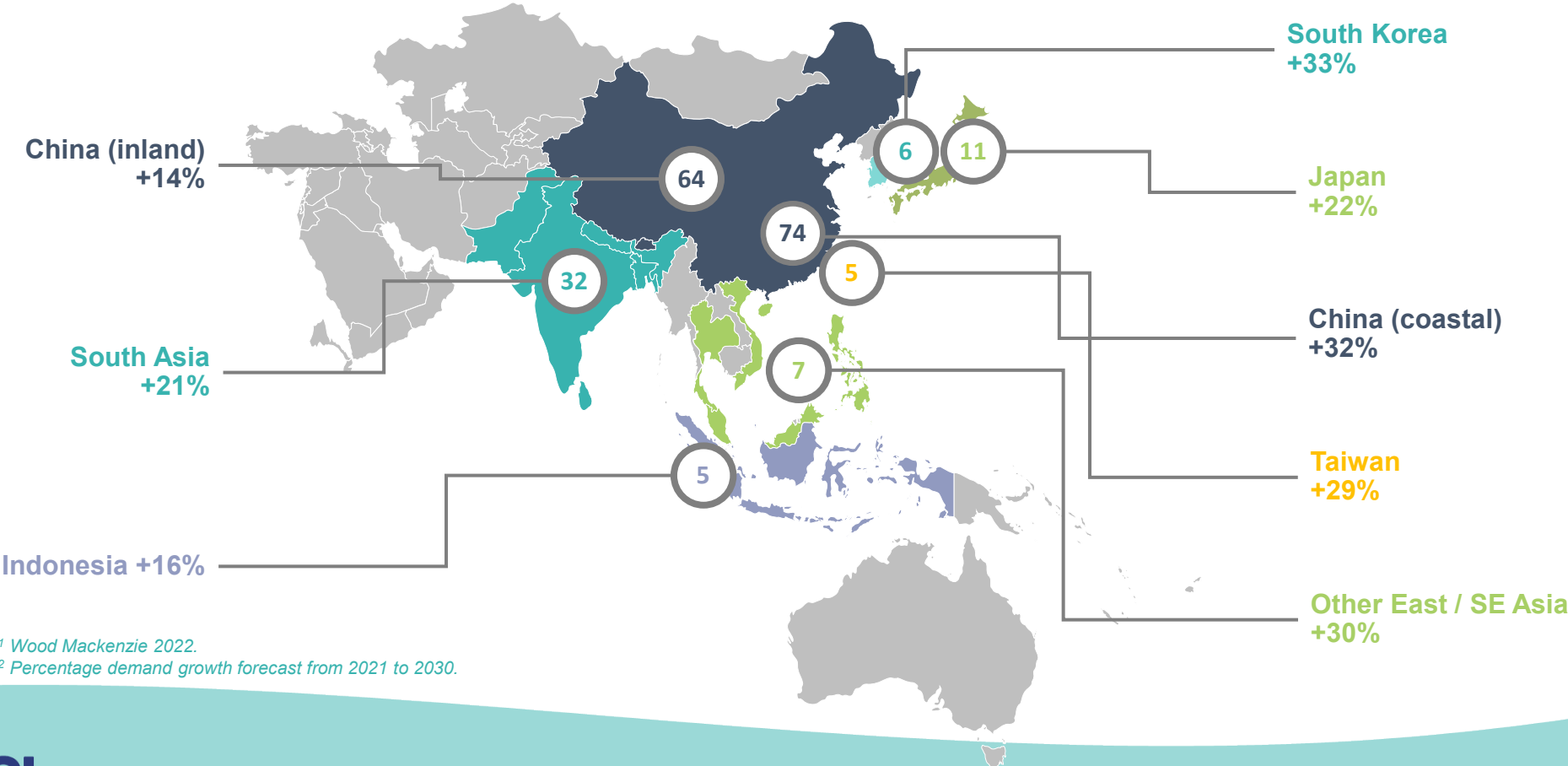
Targeted Project Cashflows to CY50 (A\$M, Real)



# Strong salt demand growth from Asia

From recent engagement with Indonesian counterparts, BCI believes that there is significant demand emerging out of Indonesia compared to Wood Mackenzie’s forecast.

Asian salt demand (2030)<sup>1</sup> – volume (Mtpa) and growth<sup>2</sup> (%)



<sup>1</sup> Wood Mackenzie 2022.  
<sup>2</sup> Percentage demand growth forecast from 2021 to 2030.



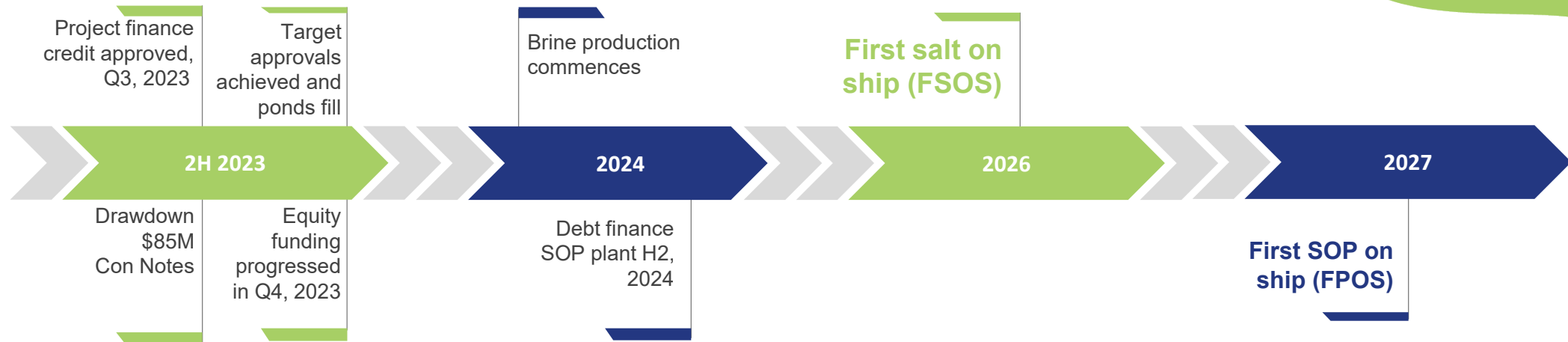


## Offtake and strategic partnerships

BCI has a focus on developing long term strategic partnerships with significant customers

- Offtake discussions are progressing well with several counterparties throughout the Asian market, reflecting the strong market growth for salt and SOP
  - BCI executed an offtake term sheet with Itochu Corporation on 27 June 2023, for the sale of 0.5Mtpa salt in Y1-2, 0.6Mt salt in Y3, 1Mtpa salt in Y4-5
  - Further to the MIND ID MOU announced in July, BCI continues to explore offtake and investment from Indonesia
- Very active market and significant appetite in the salt commodity reflected by investment interest
- BCI will be seeking to significantly progress offtake discussions throughout FY24

# Funding progressing well



- \$60M Wroxyby and Australian Super Convertible Notes drawn down 10 July 2023<sup>1</sup>
- \$25M Ryder Convertible Notes drawn down 20 October 2023<sup>2</sup>
- Credit approvals for the total project finance debt of \$981M completed in September 2023<sup>3</sup>
- Progressing Offtake to Binding Agreements
- Discussions being held with other strategic equity investors, with equity funding to be progressed during Q4 2023

<sup>1</sup> Refer to ASX announcement dated 28 April 2023 "BCI Secures \$60M of Convertible Notes to Fund Mardie"

<sup>2</sup> Refer to ASX announcement dated 19 October 2023 "BCI Secures \$25M of Convertible Notes"

<sup>3</sup> Refer to ASX announcement dated 9 October 2023 "Credit Approvals for Total Project Finance Completed"



**David Boshoff**  
BCI Managing Director



# Vision, purpose, and values

Our **vision** is to be a globally significant, sustainable industrial minerals business, with salt and potash as the initial focus.

Our **purpose** is to create sustainable value for stakeholders, by providing resources the world needs for generations to come.

## Our Values:



**People and Assets**



**Environment and Community**



**Integrity**



**Performance**



**Accountability**



**Teamwork**

# Health, safety, and wellbeing

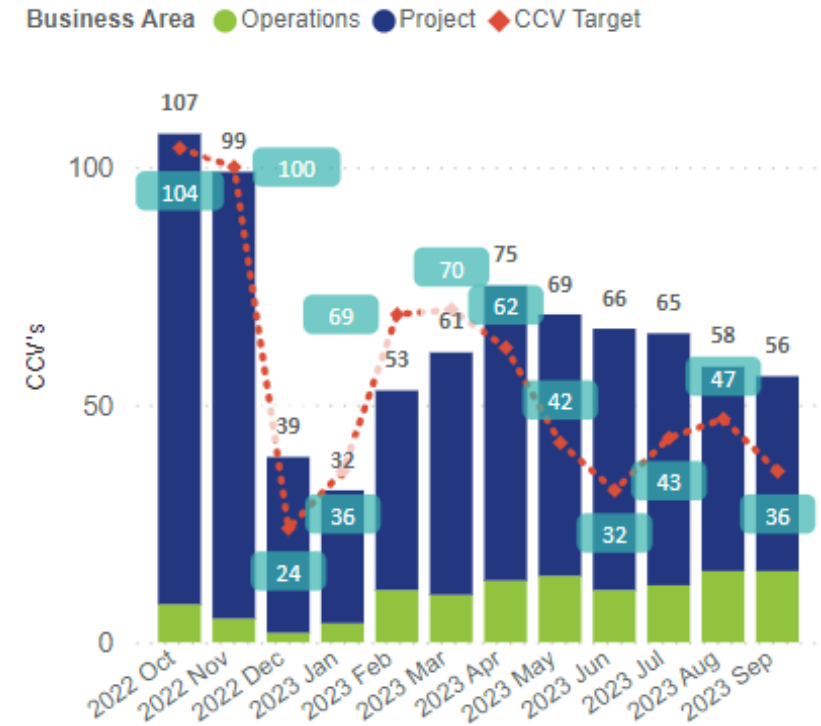
BCI places the highest priority on providing a safe and healthy working environment for all staff and contractors

- Fatality prevention is a core element of the Health & Safety KPI's with the implementation and verification of Critical Controls (CCV)
- Our focus also continued on the development of a psychologically safe workplace with a focus on inclusion and equity.
- At the end of FY23, BCI's TRIFR<sup>1</sup> on a rolling 12-month basis was 4.1 at 30 June. This is a decrease from a TRIFR of 6.1 at the end of June 2022.

<sup>1</sup>TRIFR measures the total number of injuries, including medical treatment injuries (MTI), restricted work injuries (RWI) and lost time injuries (LTI) per million hours worked (includes BCI employees and contractors).

## Verification of Critical Controls

By focusing on lead indicators such as a verification of our critical controls, we can better anticipate and address potential risks before they evolve, ensuring the health, safety, and wellbeing of our workforce, including our contracting partners.



# Project execution supported by first-class partners

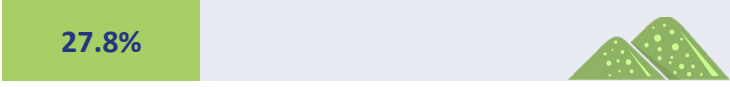






# Project Progress – an overview

Overall project progress to 30 September 2023:



**01**

**Marine Structure package**  
Overall 40% complete, Jetty 10% complete



**03**

**Primary seawater intake station**  
✓ Complete



**02**

**Ponds 1 to 5**  
✓ Earth works complete, excluding rock armour  
**Ponds 6 to 9**  
Contract awarded



**04**

**Mardie accommodation village**  
✓ Complete

**06**

**Transfer stations**  
2/3 pump installation commenced



**05**

**Road infrastructure**  
✓ North-West Coastal Highway intersection complete  
✓ Mardie Road complete  
• North South Road – 96% complete





## Ponds and transfer station

Ponds one to five are complete and ponds six to nine are under review for award. Rock armour placement has commenced.

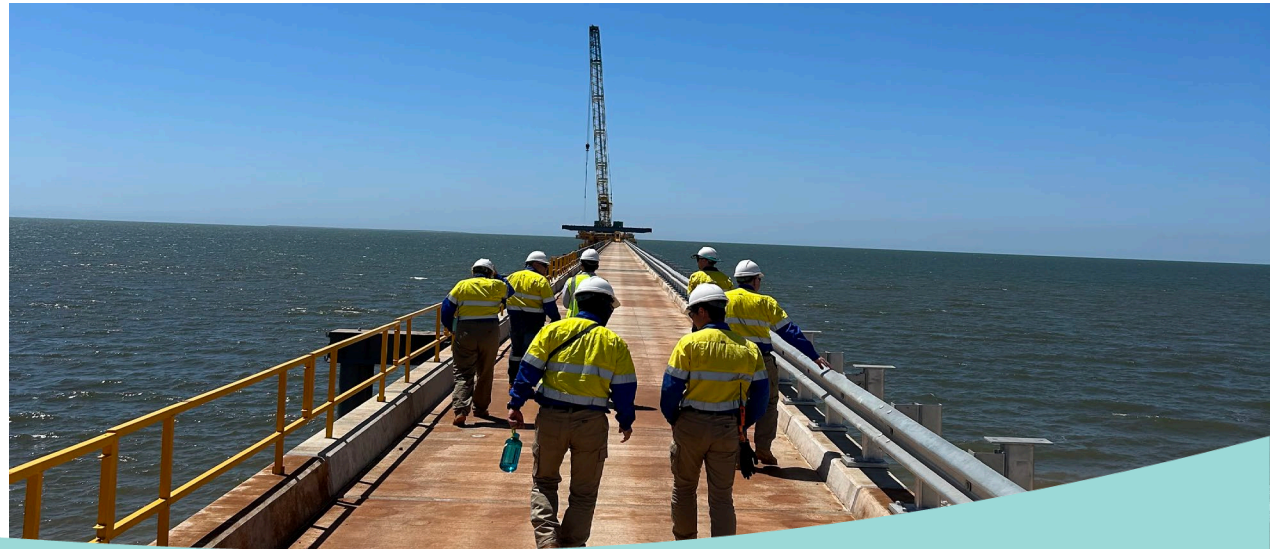
Preparation works for pump installation have commenced at the transfer station 2/3.





## Marine package

McConnell Dowell has made significant progress on the jetty structure, with the marine structure package at 40% overall and jetty construction at 10%.





# Positive Stakeholder Engagement

## Lenders / Investors



- Strong debt and equity profile in new base case
- Project financier in principle support obtained for salt as phase 1
- Lender Independent Technical Expert reports completed
- \$160m new convertible note funding secured from shareholders
- Non-binding MOU signed with MIND ID for potential investment and offtake

## Approvals



- EPA approved the initial project scope footprint<sup>1</sup>
- State and Federal Government approved project implementation
- Optimised Mardie Project has been approved by the WA State Environment Minister, with the Commonwealth process targeted for completion in Q4 2023<sup>5</sup>.

## Native Title



- Key Native Title agreements in place
- Port Indigenous Land Use Agreement (ILUA) finalised<sup>2</sup>
- The Cape Preston West (CPW) Port Reserve was vested in the Pilbara Ports Authority (PPA) in December 2022

## Tenure



- All Definitive Feasibility Study (DFS) mining tenure granted in Q1 2022, enabling construction activities to commence<sup>3</sup>
- Grant of OFS mining tenure targeted Q4 2023
- Preliminary Port tenure in place with Pilbara Ports Authority to commence jetty works<sup>4</sup>

<sup>1</sup> Based on plans as outlined in Definitive Feasibility Study, refer to ASX announcement dated 25 November 2021 "Ministerial Approval for Mardie Project"; OFS approvals in progress and targeted Q4 2023

<sup>2</sup> Refer to ASX announcement dated 30 December 2021 "Cape Preston West Port – Approvals Progress"

<sup>3</sup> Refer to ASX announcement dated 9 February 2022 "Mardie Mining Leases Granted"

<sup>4</sup> Refer to ASX announcement dated 5 December 2022 "Mardie Project Update"

<sup>5</sup> Refer to ASX announcement dated 31 October 2023 "September 2023 Quarterly Report"



**Workplace diversity**  
(as at 30 Sept)



# Sustainability is a key pillar at BCI

BCI is committed to the responsible use of natural resources, ensuring fair treatment of all people involved with, or impacted by, our operations, and the long-term wellbeing of our environment.

Our key sustainability achievements in FY23:

- Reduced design footprint in the Robe River Delta Mangrove Management area and minimised impact on Short Range Endemic (SRE) habitats
- Reduced mesquite weed in project footprint
- Developed and implemented a Marine Turtle Monitoring Program
- \$19M spent on local Pilbara businesses during FY23
- BCI’s Local Engagement Plan (LEP) was officially endorsed
- Established the Partnerships and Sponsorships Program in collaboration with the City of Karratha
- BCI’s “Reflect” Reconciliation Action Plan was developed in collaboration with Traditional Owners and Board endorsed



# In Closing

BCI is confident in the deliverability of the Mardie Salt and Potash Project

- Safety remains the highest priority of BCI, particularly as the construction workforce grows on-site, and pond operations commence in FY24
- Our construction focus will be on advancing several essential facilities in accordance with critical path activities, continuing to develop the brine circuit, and extending jetty construction
- BCI is continuing to focus on completing full funding for Mardie
- BCI aims to enter into binding offtake agreements for salt production during FY24
- Approvals will also be progressed during FY24
- The BCI business aims to continue to improve its business and operational capability, and respect its social licence to operate, as it grows over FY24

## Our FY24 Focus



**Safety**



**Construction**



**Funding**



**Binding Offtakes**



**Business Capability**



**Approvals**



## About BCI Minerals (ASX: BCI)

Established in 2006, BCI Minerals (BCI) is an Australian-based company developing its 100% owned Mardie Salt and Potash Project.

Visit the [BCI Minerals website](#) to learn more about who we are or [click here to watch our corporate video](#).

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# Important Notices

## **Not an Offer of Securities**

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## **Mardie Project information**

The Mardie Salt and Potash Project ("Mardie", "Mardie Project" or "Project") aims to produce salt and SOP from a seawater resource, which is abundant, readily accessible and has a known and consistent chemical composition. The JORC Code does not apply to a project of this nature and accordingly JORC Ore Reserves and Mineral Resources are not reported. The new Mardie base case is based on material assumptions as outlined throughout this document and the Appendix, including capital and operating cost estimates, production targets, forecast financial information, the availability of funding and the finalisation of tenure and approvals. BCI has concluded that all material assumptions are based on reasonable grounds and there is a reasonable basis for making the forward-looking statements included in this announcement. However, there is no certainty that they will prove correct, or the outcomes will be achieved.

This document contains references to the Final Investment Decision for the Mardie Project ("FID"). Please refer to the ASX announcement dated 21 October 2021 ("Mardie Project – Financial Investment Decision Made") for the FID announcement, and the ASX announcement dated 18 November 2021 ("Presentation - \$360M Capital Raising to Drive Development") for further details of FID estimates and assumptions that are referred to in this document.

## **Summary Information Only**

This document contains a summary of information about BCI and the Mardie Project. The information is current as at the date of this document unless otherwise stated. The information in this document is general in nature and does not purport to be complete or to contain all the information which a prospective investor or financier may require in evaluating a possible investment in BCI or that would be required in a prospectus or a product disclosure statement prepared in accordance with the *Corporations Act 2001 (Cth)*.

## **No Liability**

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## **No Financial data**

All dollar values are in Australian dollars (A\$ or AUD) unless otherwise stated.

This Presentation includes certain historical financial information extracted from BCI's audited consolidated financial statements and information released to ASX (collectively, the Historical Financial Information). The Historical Financial Information is presented in an abbreviated form insofar as it does not include all the presentation and disclosures, statements or comparative information as required by the Australian Accounting Standards (AAS) and other mandatory professional reporting requirements applicable to general purpose financial reports prepared in accordance with the Corporations Act.

# Important Notices (continued)

## Forward-Looking Statements

This document contains forward-looking statements regarding project development and operations, production rates, project life, projected cash flow, capital expenditure, operating costs and other economic performance and financial condition as well as general market outlook. These forward-looking statements are based on BCI's current expectations and beliefs concerning future events at the date of this announcement and are expressed in good faith. BCI believes that the expectations reflected in such forward-looking statements are reasonable. However, these expectations and forward-looking statements are only predictions and are subject to risks, uncertainties and other factors, a number of which are set out in the Appendix to this document, which could cause actual results to differ materially from future results expressed or implied by such forward-looking statements. Consequently, forward-looking statements should not be relied on as a guarantee of future performance. 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 announcement or its attachments. Except for statutory liability which cannot be excluded, BCI, its officers, employees and advisors expressly disclaim any responsibility for the accuracy or completeness of the material contained in these forward-looking statements and excludes all liability (including in negligence) for any loss or damage which may be suffered by any person as a consequence of any information in forward-looking statements or any error or omission.

## Risks

There are a number of potential known and unknown risks which may impact BCI's ability to develop and operate the Project in accordance with the base case forecast presented in this announcement, some of which are beyond the control of BCI. BCI applies a risk framework to identify relevant risks and ensure appropriate controls are developed to manage the identified risks.

## Consents

The Project Blue Group Limited ('Project Blue') has provided a report on the salt market to BCI (May 2023), from which information has been incorporated into this announcement including with respect to price forecasts. Project Blue consents to the inclusion of this information in this announcement in the form and context in which it appears. Wood Mackenzie (Australia) Pty Ltd ('Wood Mackenzie') has provided a report on the salt market to BCI (April 2023), from which information has been incorporated into this announcement including with respect to price forecasts. Wood Mackenzie consents to the inclusion of this information in this announcement in the form and context in which it appears. Wood Mackenzie's report and/or any data or information therein, do not include, nor shall it be construed as including, advice, guidance or recommendations from Wood Mackenzie to take, or not to take, any actions or decisions in relation to any matter, including without limitation relating to investments or the purchase or sale of any securities, shares or other assets of any kind. Should any parties take any such action or decision based on Wood Mackenzie's report and/or data or information therein, the parties do so entirely at their own risk and Wood Mackenzie shall have no liability whatsoever for any loss, damage, costs or expenses incurred or suffered by those parties as a result. Wood Mackenzie's report and/or any data or information may contain forward looking statements including statements regarding Wood Mackenzie's intent, belief or current expectations. Undue reliance should not be placed on these forward-looking statements. Wood Mackenzie does not undertake any obligation to release the result of any revisions to these forward-looking statements to reflect events or circumstances after the relevant date of the issuance of its report. While due care has been used in the preparation of forecast information, actual results may vary in a materially positive or negative manner. Forecasts and hypothetical examples are subject to uncertainty and contingencies outside Wood Mackenzie's control. Past performance is not a reliable indication of future performance.

Argus Media Ltd ('Argus') has provided a report on the SOP market to BCI (March 2023), from which information has been incorporated into this announcement including with respect to price forecasts. Argus consents to the inclusion of this information in this announcement in the form and context in which it appears.

Braemar ACM Shipbroking ('Braemar') has provided a report on seaborne freight data to BCI (December 2022), from which information has been incorporated into this announcement. Braemar does not assume any liability for the use that BCI has made of its report, including in this announcement, and neither Braemar nor any of its subsidiaries or its affiliates shall have any responsibility or liability to any person whatsoever in connection with its report and/or the information contained therein and/or any information derived from it and/or any use that any person makes of this announcement.