ASX Release
1 February 2024

NOTICE UNDER SECTION 708AA(2)(F) OF THE CORPORATIONS ACT 2001 (CTH)

This notice is given by BCI Minerals Limited (ASX: BCI) (the **Company**) under section 708AA(2)(f) of the *Corporations Act 2001* (Cth) (**Corporations Act**) as modified by ASIC Corporations (Non-Traditional Rights Issues) Instrument 2016/84 (**ASIC Instrument**).

The Company has today announced a fully underwritten accelerated non-renounceable pro-rata entitlement offer (**Entitlement Offer**) of 1 new fully paid ordinary share in the Company (**New Share**) for every 1.19094 fully paid ordinary shares in the Company held as at 4.00pm (Perth time) on 5 February 2024 by retail shareholders with a registered address in Australia and New Zealand, and institutional shareholders in Australia, New Zealand and the United Kingdom.

Alongside the Entitlement Offer, the Company also announced a fully underwritten placement (in two tranches) to raise $60 million by way of the issue of approximately 240 million fully paid ordinary shares (**Shares**) to sophisticated and professional investors (**Placement**). It is intended that Shares under Tranche 1 of the Placement (of $47.5 million) will be issued simultaneously with the New Shares issued under the institutional component of the Entitlement Offer (**Institutional Entitlement Offer**). Tranche 2 of the Placement (of $12.5 million) is subject to shareholder approval.

The Entitlement Offer and Placement are fully underwritten by Canaccord Genuity (Australia) Limited (**Canaccord**). Canaccord has been appointed to act as Global Coordinator, Lead Manager to the Entitlement Offer, Joint Lead Manager to the Placement, Underwriter & Bookrunner to the Equity Raising. Ord Minnett Limited has been appointed to act as Joint Lead Manager to the Placement.

Two of the Company's major shareholders, Wroxby Pty Ltd (**Wroxby**) and AustralianSuper Pty Ltd as trustee for AustralianSuper (**AustralianSuper**), have each given commitments to the Company to take up their full entitlements under the Entitlement Offer.

In addition, AustralianSuper has agreed to sub-underwrite up to $112.5 million of the Entitlement Offer (but will not sub-underwrite the Placement).

Immediately prior to the issue of Shares under the Placement and accelerated (institutional) portion of the Entitlement Offer, it is proposed that:

(a) the convertible notes (with a face value of $30 million plus capitalised interest) issued to each of Wroxby and AustralianSuper on 10 July 2023 (**2023 Notes**) will convert into Shares; and

(b) the convertible notes (with a face value of $25 million plus capitalised interest) issued to Ryder Capital Ltd (**Ryder**) and an associated entity, Ryder Capital Management Pty Ltd, on 20 October 2023 (**Ryder Notes**) will convert into Shares.

The Company confirms the following:

(a) the New Shares will be offered for issue without disclosure to investors under Part 6D.2 of the Corporations Act;

(b) this notice is being given under section 708AA(2)(f) of the Corporations Act as modified by the ASIC Instrument;

(c) as at the date of this notice, the Company has complied with:

  (i) the provisions of Chapter 2M of the Corporations Act as they apply to the Company; and

  (ii) section 674 and section 674A of the Corporations Act;

(d) as at the date of this notice, there is no 'excluded information' of the type referred to in sections 708AA(8) and 708AA(9) of the Corporations Act which is required to be disclosed by the Company under section 708AA(7)(d) of the Corporations Act; and

(e) the potential effect of the issue of New Shares on control of the Company, and the consequences of that effect, will depend on a number of factors, including investor demand and the extent to which eligible shareholders take up their entitlements under the Entitlement Offer. However, the Company notes the following:

General consequences

  (i) If all eligible shareholders take up their entitlements under the Entitlement Offer, the Entitlement Offer will have no significant effect on the control of the Company.

  (ii) If eligible shareholders do not take up all of their entitlements under the Entitlement Offer, the shareholding interests of those eligible shareholders will be diluted.

  (iii) The proportional interests of shareholders that are not eligible shareholders will be diluted because those shareholders are not entitled to participate in the Entitlement Offer.

  (iv) The Company will offer a shortfall oversubscription facility as part of the Entitlement Offer whereby Shareholders who have accepted their entitlement in full may apply for additional new shares under that facility (**Top-Up Facility**) which may increase their interests beyond their entitlement. This could result in the dilution of holdings of those who failed to accept their entitlements in full and those who failed to apply for additional shares.

Underwriting arrangements, major shareholder participation and AustralianSuper sub-underwriting

  (v) If there are significant shortfalls in applications under the Entitlement Offer (including after allocations are made under the Top-Up Facility), Canaccord and AustralianSuper may acquire a significant number of New Shares, which would lead to an increase in the interests of those investors and a dilution of other holdings.

  (vi) Any increase in AustralianSuper's voting power under the Entitlement Offer will be made in reliance on item 10A of section 611 of the Act (**Item 10A Exception**).

  (vii) The Item 10A Exception does not extend to applications for additional New Shares under the Top-Up Facility under the Entitlement Offer and AustralianSuper has confirmed that it will not participate in the Top-Up Facility.

  (viii) The issue of New Shares to AustralianSuper (under the Entitlement Offer in relation to its entitlement and as sub-underwriter (if required)) will have the following potential effect on AustralianSuper's voting power in the circumstances (based on the assumptions set out below, after taking into account the Placement and the conversion of the 2023 Notes and the Ryder Notes).

Scenario	Voting power of AustralianSuper
Current position	14.72%[1] (increasing to 20.09% following conversion of all 2023 Notes and Ryder Notes)[2]
Position following Institutional Entitlement Offer but prior to the retail component of the Entitlement Offer ("**Retail Entitlement Offer**")	20.15%
Position if there is a $0 shortfall under the Entitlement Offer	16.81%, reducing to 16.52% if shareholders approve the $12.5 million Tranche 2 Placement
Position if there is a $37.5 million shortfall under the Entitlement Offer	22.10%, reducing to 21.72% if shareholders approve the $12.5 million Tranche 2 Placement
Position if there is a $75 million shortfall under the Entitlement Offer	27.40%, reducing to 26.92% if shareholders approve the $12.5 million Tranche 2 Placement
Position if there is a $112.5 million shortfall under the Entitlement Offer *(maximum voting power scenario)*	32.68%, reducing to 32.12% if shareholders approve the $12.5 million Tranche 2 Placement

The voting power in the Company of the Company's other major (and substantial) shareholders (Wroxby and Ryder) and corresponding effect of the Entitlement Offer (and the Placement and the conversion of the 2023 Notes and the Ryder Notes) on their voting power in these scenarios, is shown in the following table (based on the assumptions set out below).

Scenario	Voting power of Wroxby	Voting power of Ryder
Current position	39.21%[3] (decreasing to 38.40% following conversion of all 2023 Notes and Ryder Notes)	9.90%[4] (increasing to 14.45% following conversion of all 2023 Notes and Ryder Notes)

[1] AustralianSuper disclosed its voting power of 14.01% in the Company (representing 168,914,852 Shares) on 24 December 2021. The Company understands that AustralianSuper's current actual voting power is approximately 14.72%.

[2] At a general meeting of the Company held on 23 June 2023, the Company obtained shareholder approval for the purposes of item 7 of section 611 of the Corporations Act for (amongst other things) AustralianSuper's maximum voting power to increase to up to 35.20% upon the conversion of the convertible notes which AustralianSuper holds in the Company.

[3] Wroxby disclosed its voting power of 39.564% in the Company (representing 236,750,238 Shares) on 14 October 2020, and later was issued 239,534,884 Shares under a placement in 2021. The Company understands that Wroxby's current actual voting power is approximately 39.21%.

[4] Ryder disclosed its voting power of 9.93% in the Company (representing 119,814,614 Shares) on 24 December 2021. The Company understands that Ryder's current actual interest is approximately 9.90%.

Scenario	Voting power of Wroxby	Voting power of Ryder
Position following Institutional Entitlement Offer but prior to Retail Entitlement Offer	43.30%	9.93%
Position following Retail Entitlement Offer	36.12%, reducing further to 35.49% if shareholders approve the $12.5 million Tranche 2 Placement	8.28%, reducing further to 8.14% if shareholders approve the $12.5 million Tranche 2 Placement (or higher if Ryder participates in the Entitlement Offer).

As noted above, Wroxby's voting power will increase temporarily following conversion of all 2023 Notes and Ryder Notes, and following completion of the Institutional Entitlement Offer and (the accelerated) Tranche 1 of the Placement (but prior to completion of the Retail Entitlement Offer). Accordingly, Wroxby's voting power will increase by approximately 4.1% to approximately 43.30% (in reliance on the Item 10A Exception). Upon the subsequent issue of the Shares under the Retail Entitlement Offer, Wroxby's voting power will be diluted and it will in fact have lower voting power than it currently has (36.12%, reducing to 35.49% if shareholders approve the $12.5 million Tranche 2 Placement).

As the Item 10A Exception may be relied on in relation to the Entitlement Offer, the Company will implement the nominee procedure set out in section 615 of the Corporations Act (with respect to the entitlements of ineligible shareholders) and the Company has received ASIC consent to the appointment of Canaccord as nominee for such purposes.

The potential control effects of the Equity Raising on Canaccord (in various scenarios) are as follows:

Scenario	Voting power of Canaccord
Current position	0%
Position if there is a $20 million shortfall under the Placement (assuming that Canaccord is not required to take up any shortfall under the Entitlement Offer)	3.38% on completion of the first tranche of the Placement, reducing to 2.82% on completion of the Retail Entitlement Offer, reducing further to 2.77% if shareholders approve the $12.5 million Tranche 2 Placement
Position if there is a $40 million shortfall under the Placement (assuming that Canaccord is not required to take up any shortfall under the Entitlement Offer)	6.77% on completion of the first tranche of the Placement, reducing to 5.64% on completion of the Retail Entitlement Offer, reducing further to 5.55% if shareholders approve the $12.5 million Tranche 2 Placement

Scenario	Voting power of Canaccord
Position if there is a $60 million shortfall under the Placement (assuming that Canaccord is not required to take up any shortfall under the Entitlement Offer)	8.04% on completion of the first tranche of the Placement, reducing to 6.70% on completion of the Retail Entitlement Offer, increasing to 8.32% if shareholders approve the $12.5 million Tranche 2 Placement
Position if there is a $60 million shortfall under the Placement, and assuming that Canaccord is required to take up $5 million in shortfall under the Entitlement Offer *(maximum voting power scenario)*[5]	8.04% on completion of the first tranche of the Placement, increasing to 7.41% on completion of the Retail Entitlement Offer, increasing to 9.02% if shareholders approve the $12.5 million Tranche 2 Placement

The tables above take into account the following assumptions:

(a) only Wroxby and AustralianSuper participate in the Institutional Entitlement Offer, and they each take up their entitlements in full;

(b) AustralianSuper sub-underwrites $112.5 million of the Entitlement Offer shortfall (ie, up to 100% of the shortfall up to AustralianSuper's sub-underwriting limit);

(c) Canaccord underwrites any remaining shortfall (and AustralianSuper does not terminate its sub-underwriting obligation);

(d) the Placement remains at $60 million and is fully subscribed, or taken up by Canaccord pursuant to its underwriting obligations, and neither Wroxby, AustralianSuper nor Ryder participate in the Placement; and

(e) all 2023 Notes and Ryder Notes are converted into Shares immediately prior to the issue to shareholders under the Institutional Entitlement Offer and the first tranche of the Placement.

As demonstrated in the above table, AustralianSuper's voting power could potentially increase from approximately 14.72% (or, more relevantly, 20.09% following conversion of all 2023 Notes and Ryder Notes) up to a maximum of 32.68% in the very unlikely scenario that no shareholders (other than AustralianSuper and Wroxby) take up their entitlements. The Company understands that even if this were the case, AustralianSuper's intentions for the Company would remain unchanged, which are to maintain its support for the current business objectives and management of the Company, with a particular focus on progressing development of the Company's Mardie Salt and Potash Project.

If AustralianSuper were to achieve voting power of around 25% following the Entitlement Offer, AustralianSuper may have an increased ability to influence composition of the Board and the Company's management and strategic direction and to impact the outcome of resolutions of shareholders. For example, AustralianSuper may have the ability to prevent a special resolution from being passed by the Company (such resolution requiring at least 75% of the votes cast by members entitled to vote) and may have the de facto ability to pass ordinary resolutions of

[5] Given the commitments from Wroxby and AustralianSuper to take up their full entitlements under the Entitlement Offer, and the level of additional sub-underwriting commitments received from AustralianSuper, Cannacord's underwriting exposure with respect to the Entitlement Offer is effectively capped at $5.0 million assuming the sub-underwriting remains in place.

Shareholders, or to prevent ordinary resolutions from being passed (depending on shareholder participation at general meetings and noting that less than 100% of shareholders are expected to vote at any general meeting).

However, in this respect, it should be noted that AustralianSuper already has one nominee appointed to the Board (which comprises seven directors). The Company understands that AustralianSuper has no current intention to request additional representation on the Board even if it were to acquire the maximum possible voting power as a result of the Entitlement Offer. Accordingly, it is not expected that there will be any material effect on the control able to be exerted by AustralianSuper over the day-to-day operations of the Company.

As demonstrated above, in light of the commitments given by existing major shareholders to take up entitlements, the existence of the Top-Up Facility and the AustralianSuper sub-underwriting (or any other sub-underwriting commitments secured), it is not anticipated that Canaccord will acquire any material voting power in the Company as a result of the underwriting of the Entitlement Offer (or the Placement) except in the unlikely scenario where there is a significant shortfall under the Placement.

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

For further information:

Rika Potter
BCI Minerals – Communications and Engagement Advisor
T: +61 424 328 223
E: communications@bciminerals.com.au

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 potential royalties and/or deferred payments from iron ore projects at Koodaideri South, Bungaroo South, Kumina and Nullagine.

Website: www.bciminerals.com.au

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