



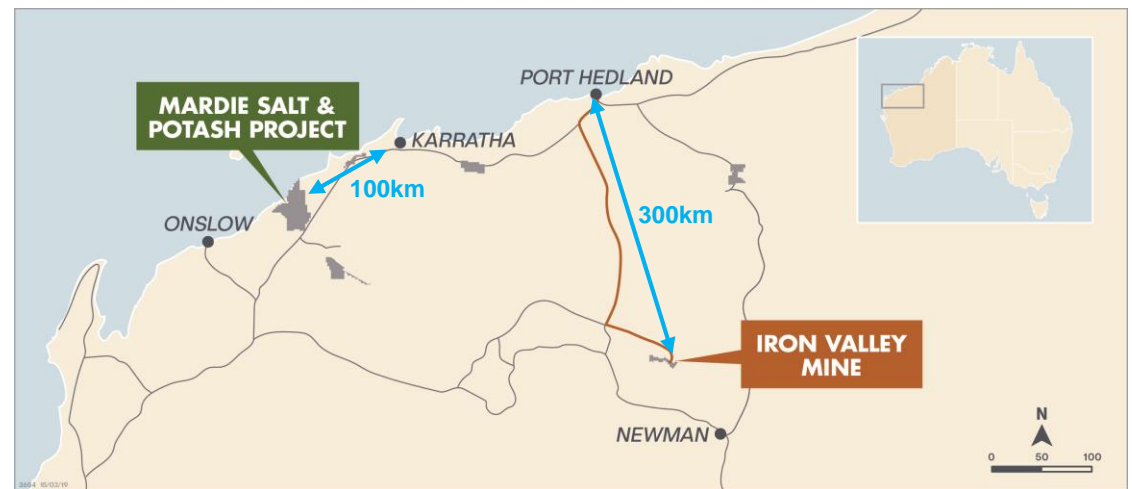
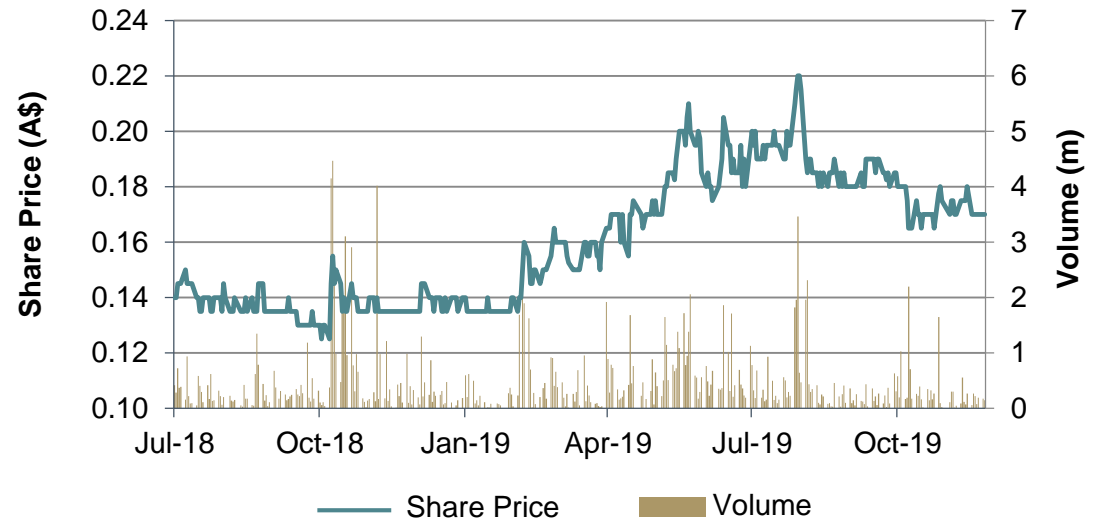
Developing the Tier 1 Mardie Salt & Potash Project

Corporate Presentation

About BCI Minerals



- Based in Perth, Australia
- ASX listed as “BCI”
- Market cap of ~A\$70M
- A\$43M¹ cash and zero debt
- Australian Capital Equity group – largest shareholder ~29%
- Key assets:
 - **Mardie Salt & Potash:** 100% owned project
 - **Iron Valley Mine:** royalty earnings (A\$12.3M EBITDA in FY19)



Iron Valley Mine

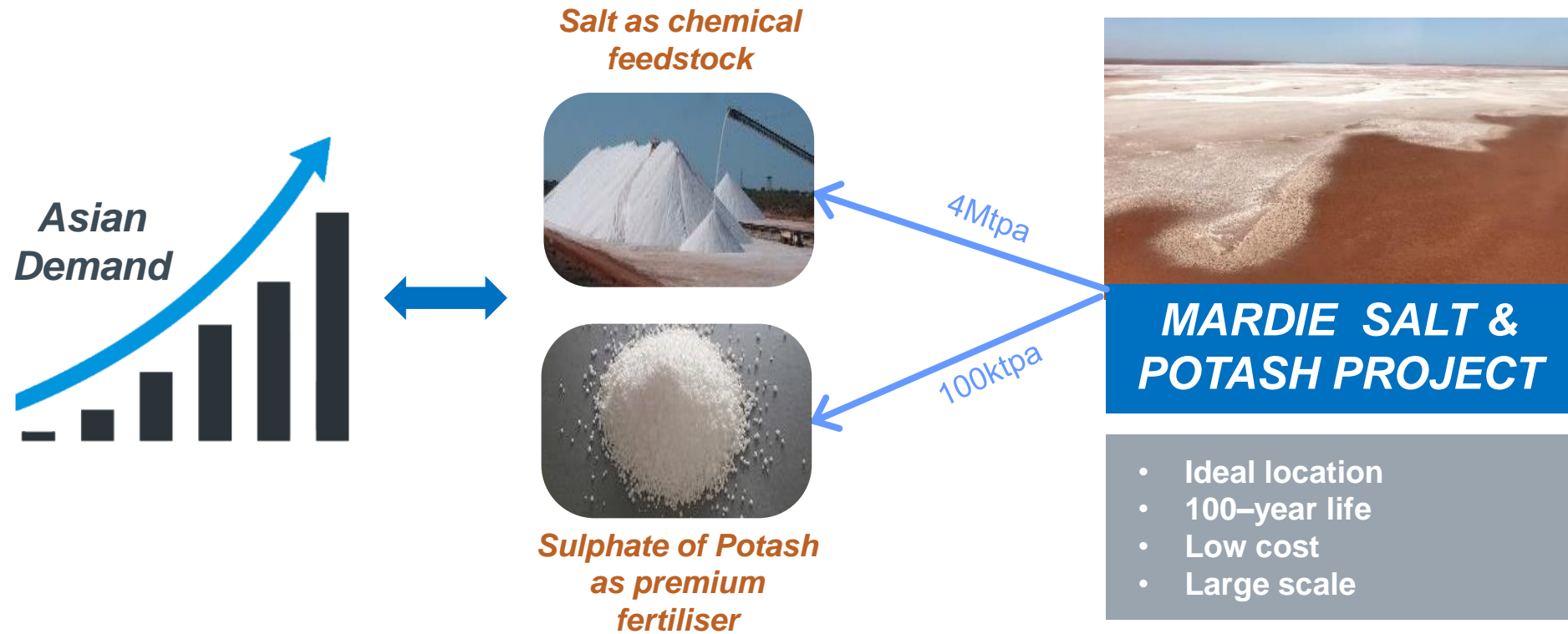
- Quarterly earnings via royalty agreement with Mineral Resources Ltd (MIN)
- 6-8Mtpa production; 89Mt Reserves¹
- Potential mine life of ~11 years
- 50% lump ore; 59% Fe average
- Since first production in 2014:
 - BCI Revenue: \$235M
 - BCI EBITDA: \$60M
- Quarter 1 FY20:
 - BCI Revenue: \$25M
 - BCI EBITDA: \$8M



1. Refer to ASX announcement “Updated Mineral Resources and Ore Reserves” dated 25-Oct-19, including in relation to Iron Valley approval risks.

The Mardie Opportunity

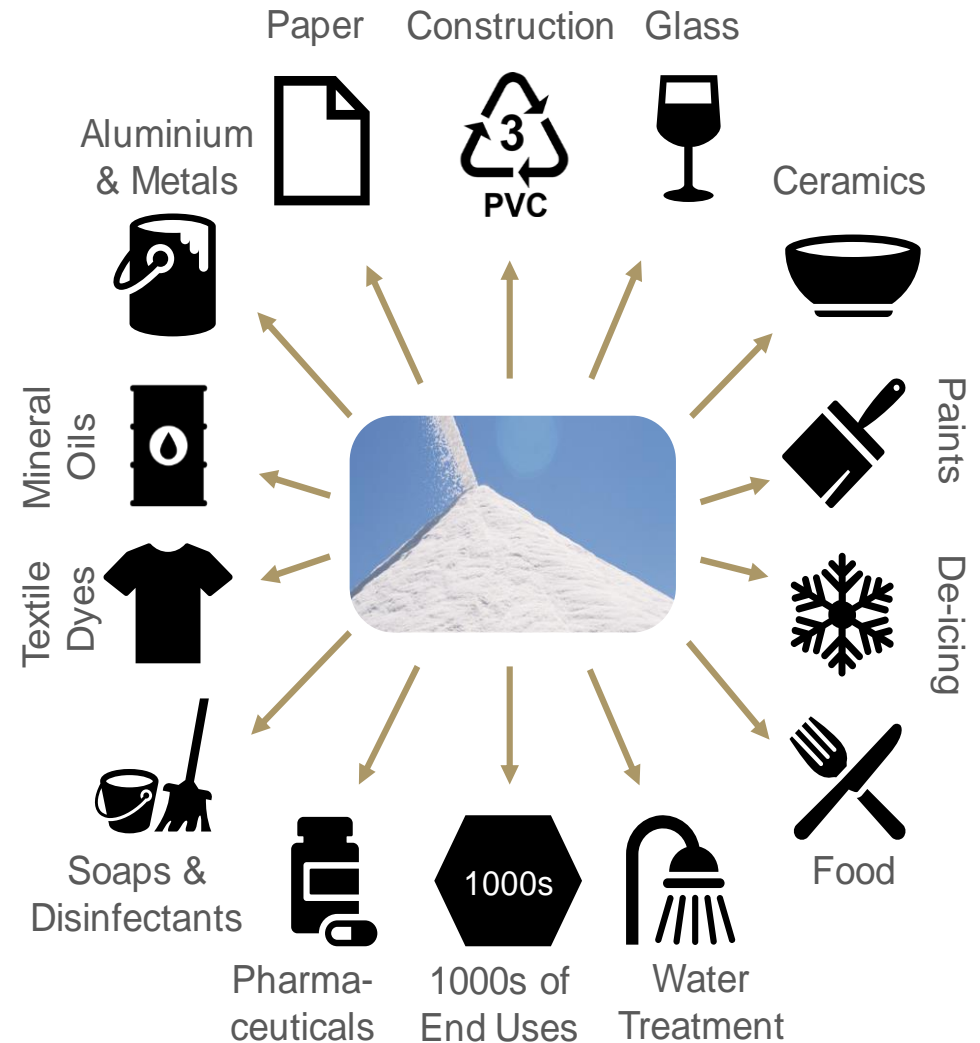
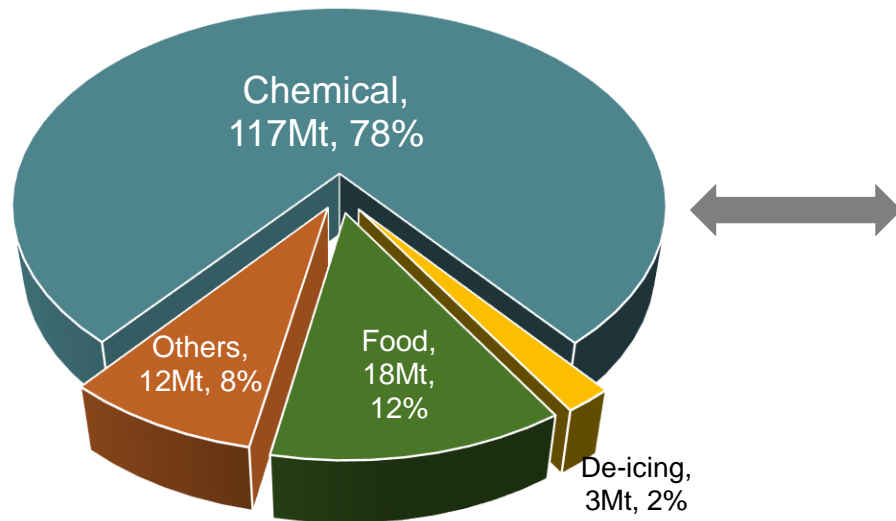
Strong demand growth for Salt and Potash



Salt Market

Increasing population requires more industrial products (with salt as primary input)

Salt Uses in Asia, 2018
(150Mt / 300Mt globally)

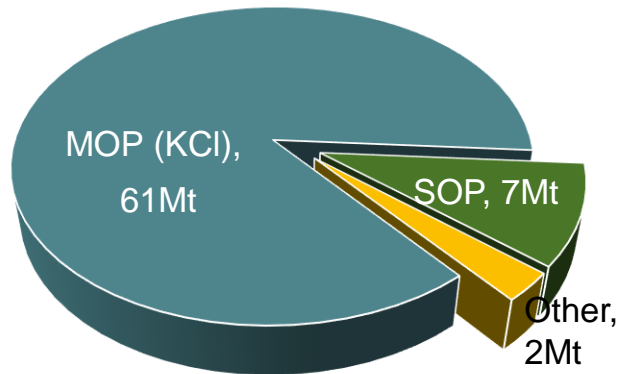


- Close correlation between GDP growth and salt demand
- Forecast for 40Mtpa salt demand growth in Asia by 2027 – primarily Chinese chemical industry

SOP Market

More people needing more & better quality food driving SOP fertiliser demand

Global Potash Demand by Product (70Mt)

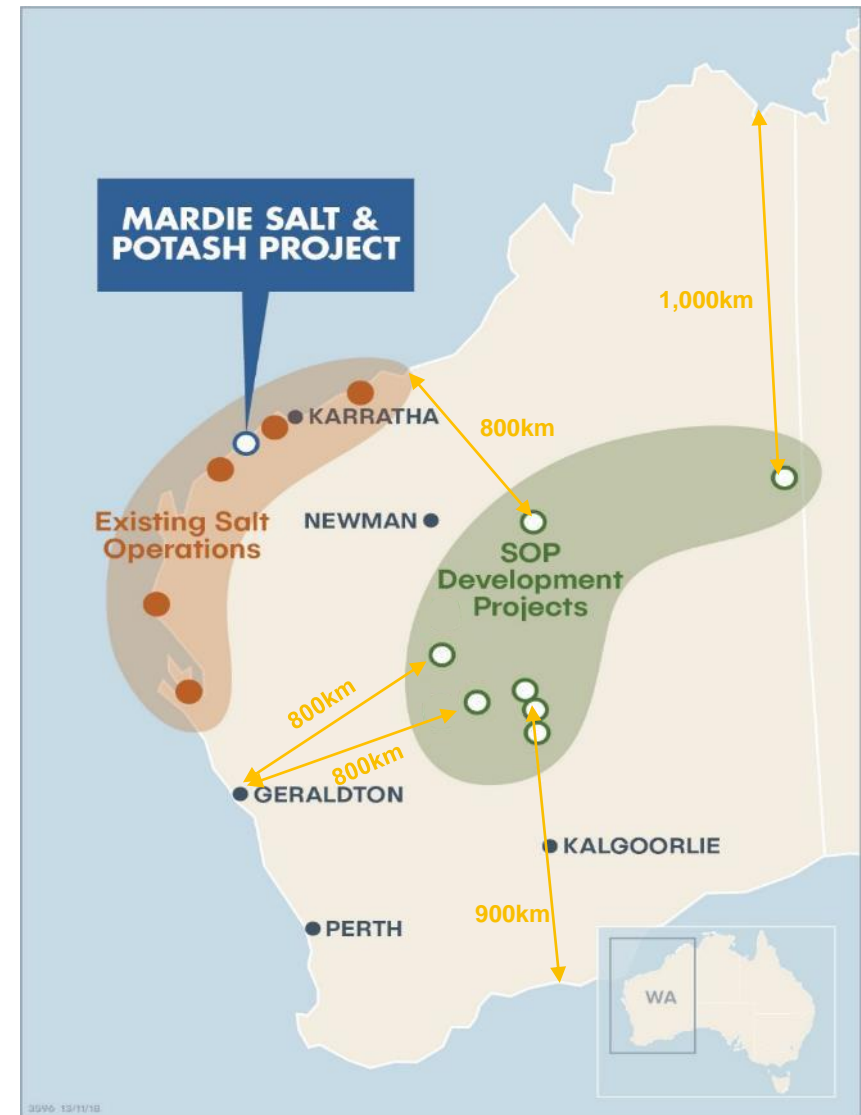


- Plant growth depends on three primary nutrients – Nitrogen (N), Phosphate (P) and Potassium (K)
- Two main types of potassium fertilisers:
 1. Muriate of Potash (MOP) – KCl (90% of market)
 2. Sulphate of Potash (SOP) – K_2SO_4 (10% of market)
- SOP is a soil friendly fertiliser used on higher value crops (fruits, berries, vegetables)
- SOP demand is driven by (i) population growth, (ii) increasing demand for high quality food and (iii) reducing arable land
- SOP demand forecast to increase from 6.6Mtpa to 7.7Mtpa by 2028
- SOP (~US\$500/t FOB) has a large price premium over MOP (~US\$300/t FOB)

Australian Salt & SOP Landscape

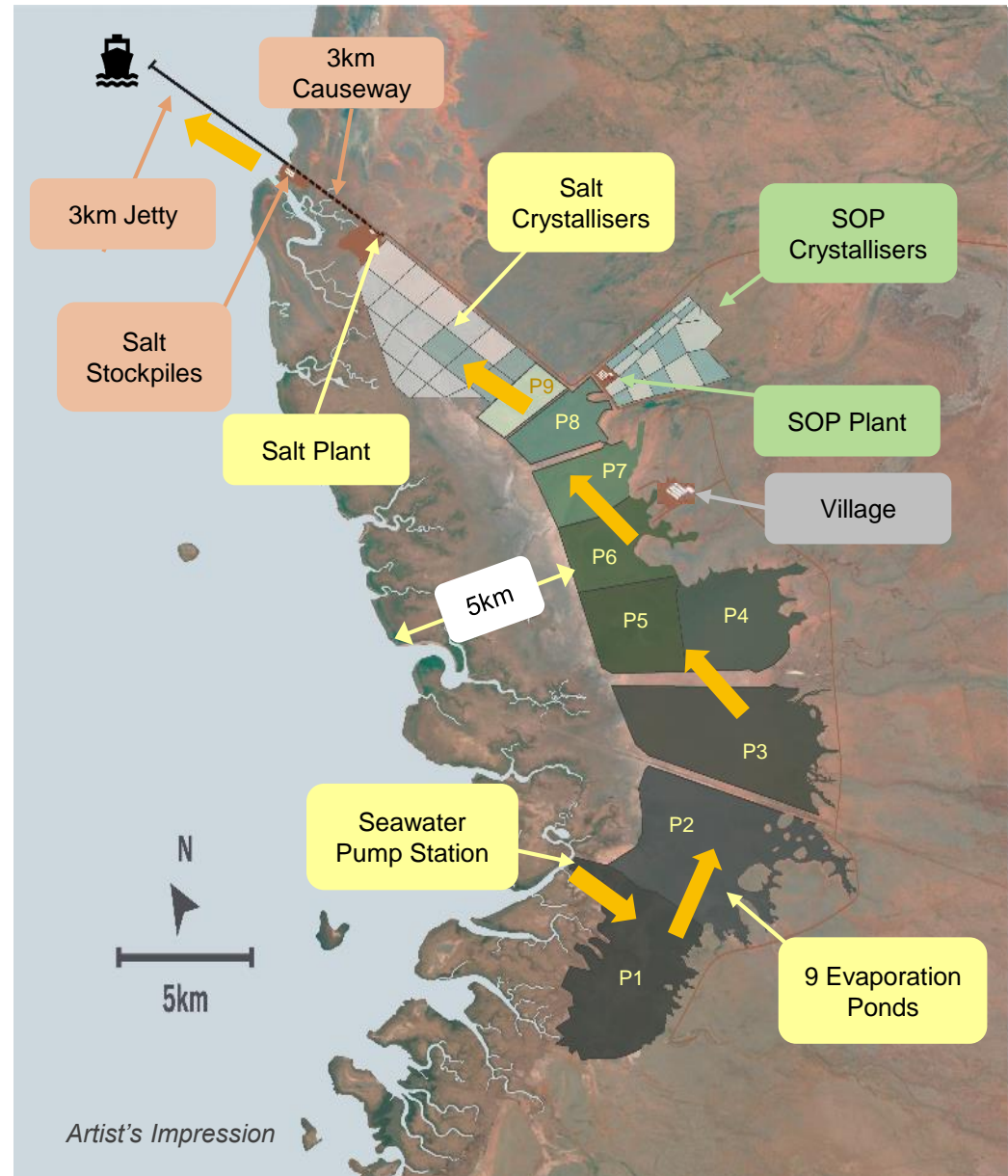
Mardie has ideal location to produce high purity salt

- Pilbara has ideal climate to produce high purity salt
 - High temperature, high wind, low rainfall, low humidity
- Five large existing solar **Salt** operations in WA:
 - Controlled by Rio Tinto and Mitsui
 - No new large Australian salt project in 20 years
- No existing sulphate of potash (**SOP**) production in Australia:
 - Other projects based on inland lake brines
 - Other projects all have long distance road transport
- **Mardie Salt & Potash Project:**
 - Only Australian project with commercial Salt + SOP
 - Only Australian project to produce SOP from seawater
 - Only SOP producer located on coast – lower cost



Mardie Project Footprint

<p>Site Conditions</p>	<ul style="list-style-type: none"> • 150km² clay soils – ideal to retain water in ponds • Availability of construction materials
<p>Production Processes</p>	<ul style="list-style-type: none"> • 9 evaporation ponds • 42 salt & 22 SOP crystallisers • 4Mtpa salt plant (up-current classifier technology) • 100ktpa SOP plant (flotation technology)
<p>Port Facilities</p>	<ul style="list-style-type: none"> • 3km trestle jetty • 3,000tph shiploader
<p>Shipping</p>	<ul style="list-style-type: none"> • Transshipping operation (5m water depth) • Handymax, Panamax and Capesize vessels 25km offshore



Mardie DFS on Target for Q1 2020

Offtake: 7x MOUs for 2.5Mtpa salt and 10ktpa SOP

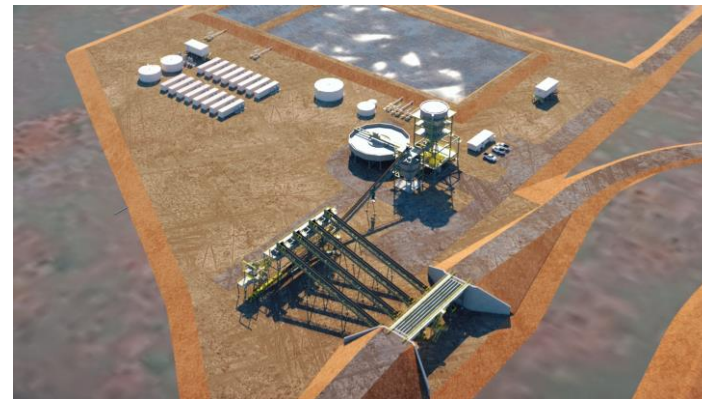
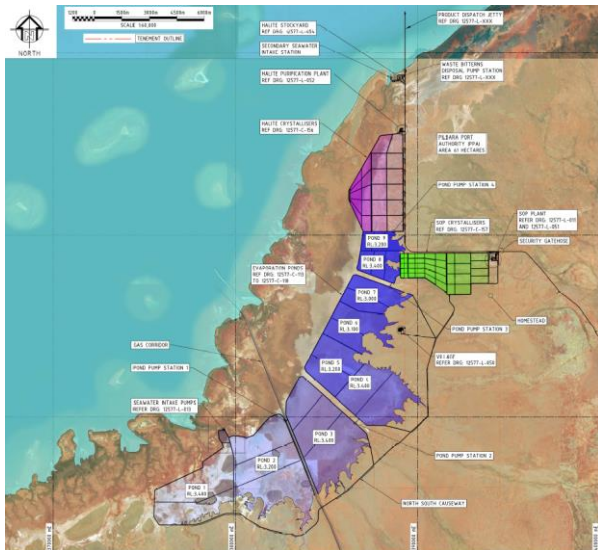
\$5M land and marine geotechnical programme completed



Flowsheet, pond and crystalliser design completed

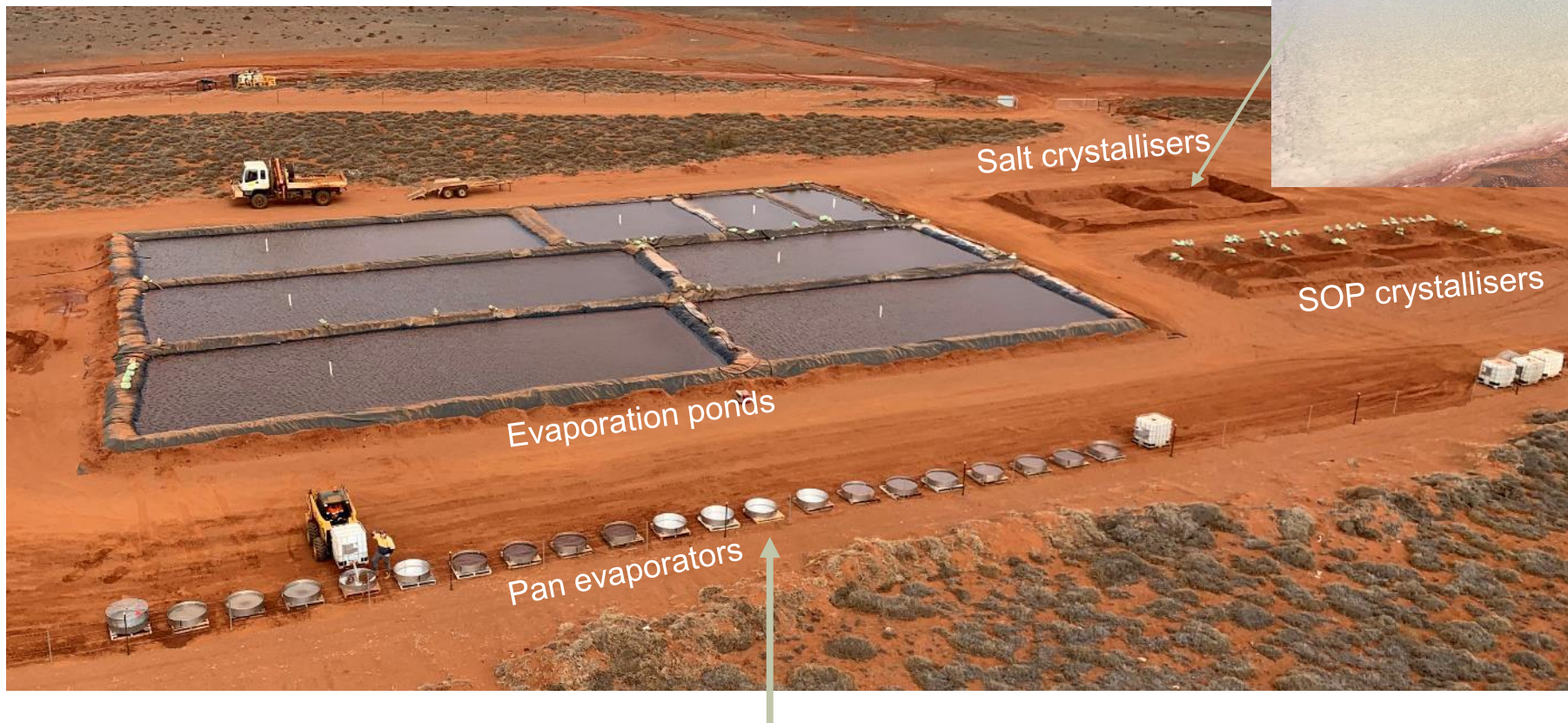
Design of salt plant and SOP plant completed

Port design completed



Small Scale Trial Ponds

- 1:40,000 scale version (~1 hectare) of entire pond / crystalliser layout to produce lab-scale and customer samples
- First salt recently harvested from salt crystallisers

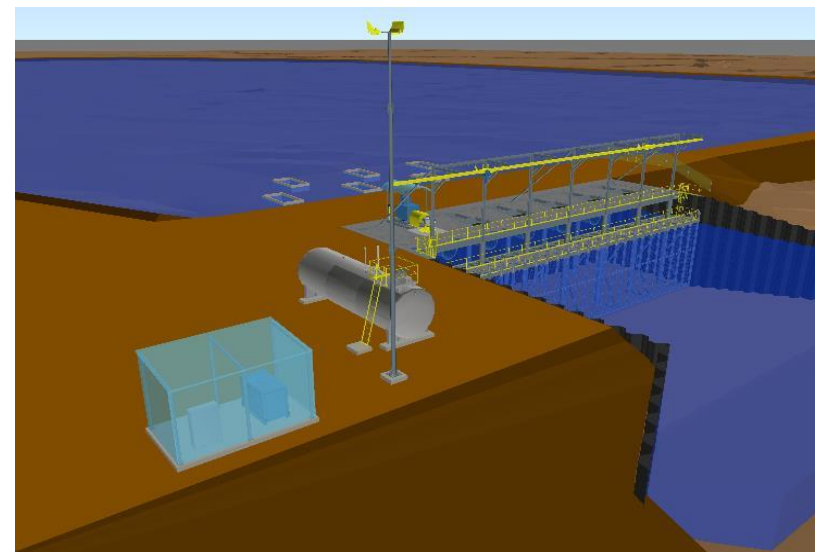
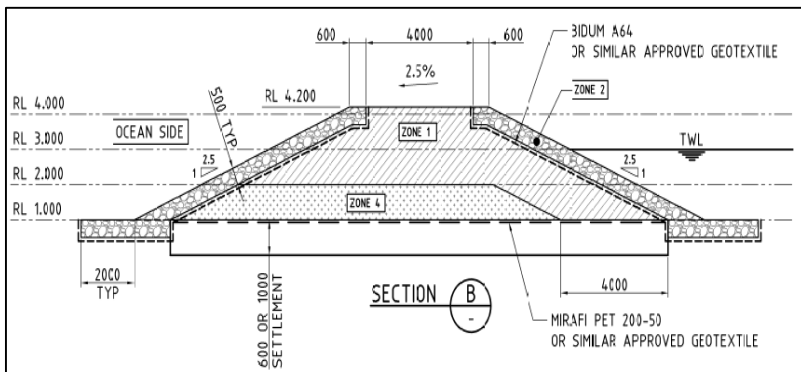
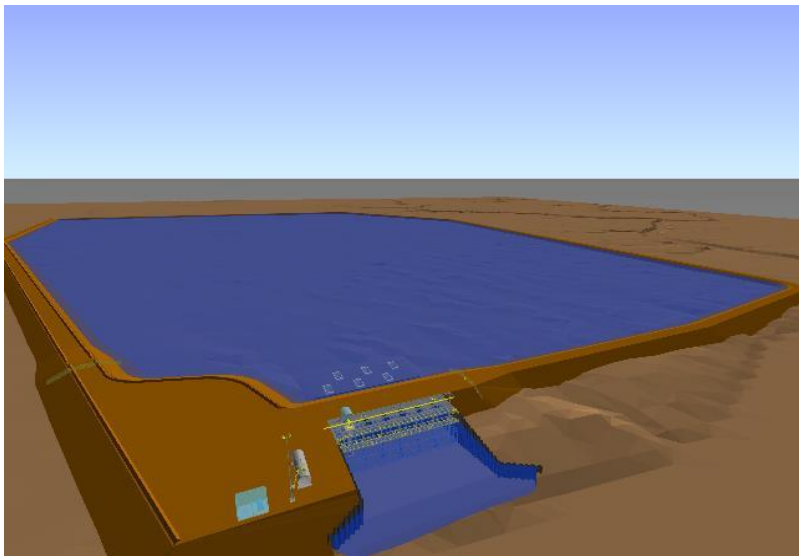


- >20 pan evaporators for controlled evaporation tests at a range of densities

Large Scale Trial Pond

Construction of ~A\$15M early works programme commenced in October

Large trial pond with ~2km pond walls (capacity 175 Olympic pools)



Seawater pump station with 1 of 6 pumps installed (1 pump has 2,600l/s capacity)

Approvals & Tenure Well Defined

Environmental



- 3 years of surveys completed and no material issues identified
- EPA approval targeted in 1H 2020

Heritage

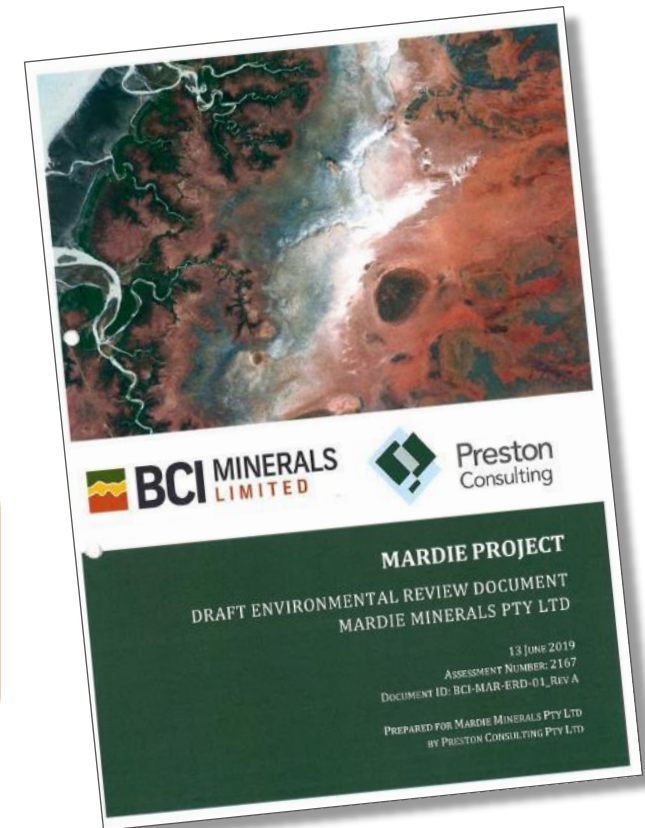


- Land Use Agreements for production secured with Traditional Owners

Tenure



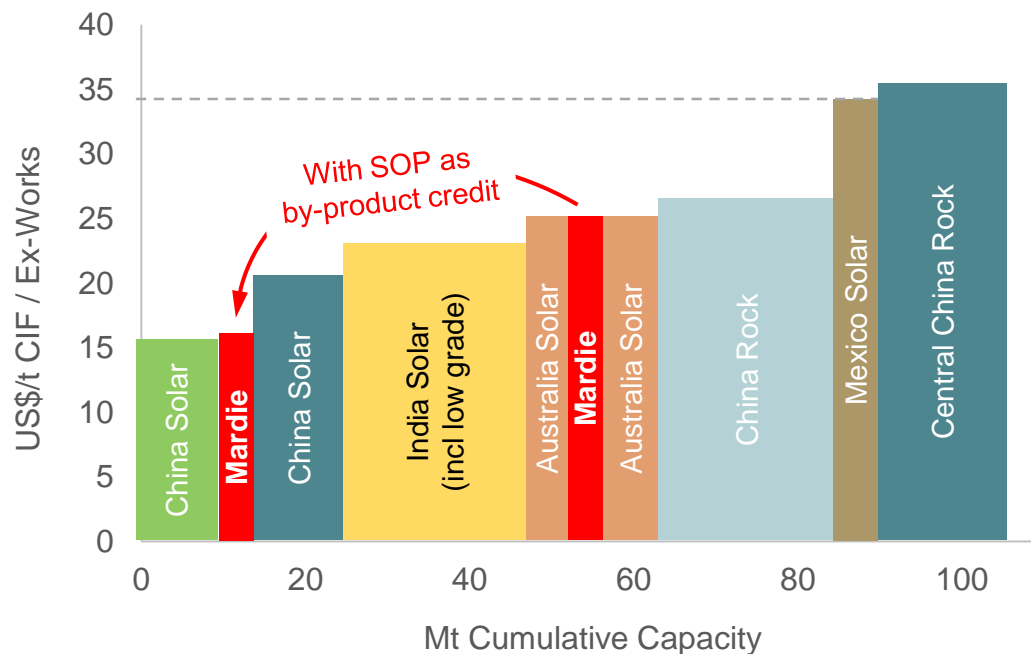
- Mining Lease tenure applications well advanced
- Port lease terms being negotiated with Pilbara Ports Authority



Mardie's Competitive Positioning

Potential lowest cost quartile salt producer

Asian Salt Cost Curve –
Supply into Mardie Contestable Market¹



- Mexican salt into Asia and Chinese rock salt sets the Asian salt floor price ~US\$35/t CIF
- Mardie salt will have similar cost to existing Australian salt operations (salt only)
- Mardie SOP will be the lowest cost globally
- When SOP margin treated as a by-product credit, Mardie becomes one of the lowest cost salt producers

Source: Roskill, SMM, Argus, BCI analysis.

1: Contestable market is where Mardie salt can be delivered at a competitive cost to other suppliers. Costs for seaborne producers shown on CIF basis, costs for Chinese domestic producers shown on an ex-works basis.

Attractive Project Economics¹

Production (60 years)

- Salt: 4.0Mtpa
- SOP: 100ktpa

Capex² (nominal)

- Salt & Port: A\$470M
- SOP: A\$100M

Opex² (FOB basis, real)

- Salt: A\$14/t
- SOP: A\$200/t

Prices (FOB basis, real)

- Salt: US\$30/t
- SOP: US\$500/t
- FX: 0.70 US\$ per A\$

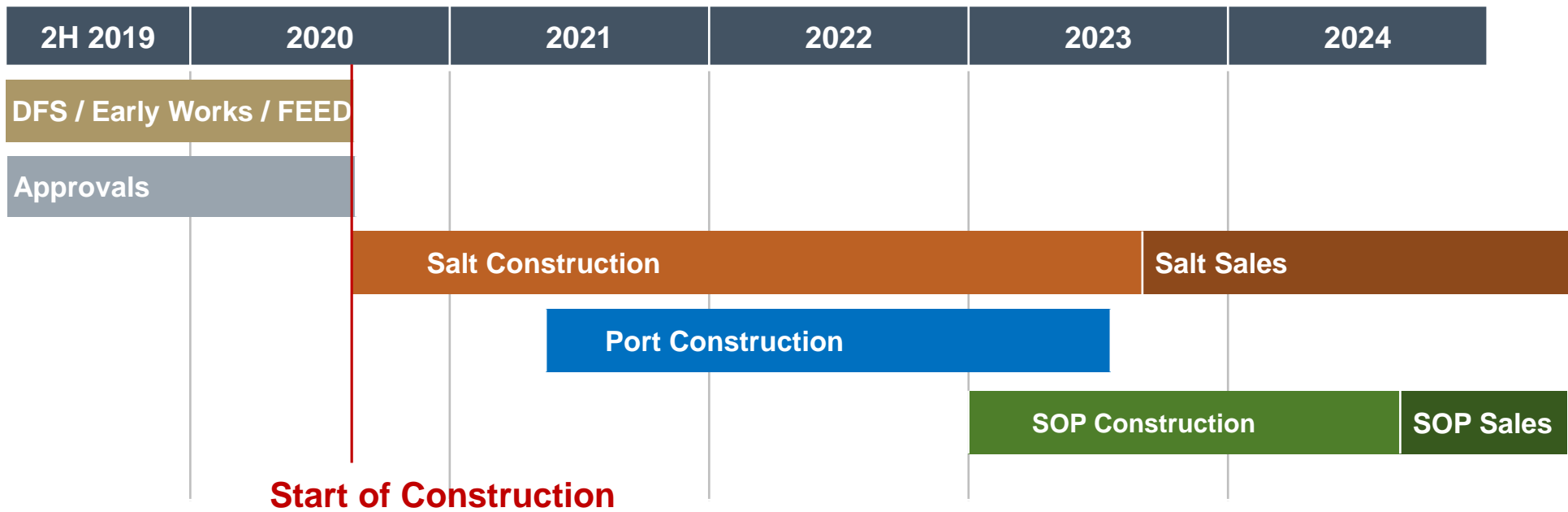
Financials² (pre-tax, ungeared, real)

- NPV₁₀: A\$580M
- NPV₈: A\$925M
- EBITDA: A\$165M/a
- IRR: 19%

1. Refer to BCI's PFS Optimisation Study released on 17 May 2019. All material assumptions and technical parameters underpinning the production target and forecast financial information continue to apply and have not materially changed
2. Case presented on this page assumes BOO/T items from PFS Optimisation Study (power, accommodation, transhipper) are brought back on balance sheet, increasing capex and reducing opex. Increase in capex is ~A\$50M for BOO/T items and ~A\$20M from converting to nominal (2% inflation)

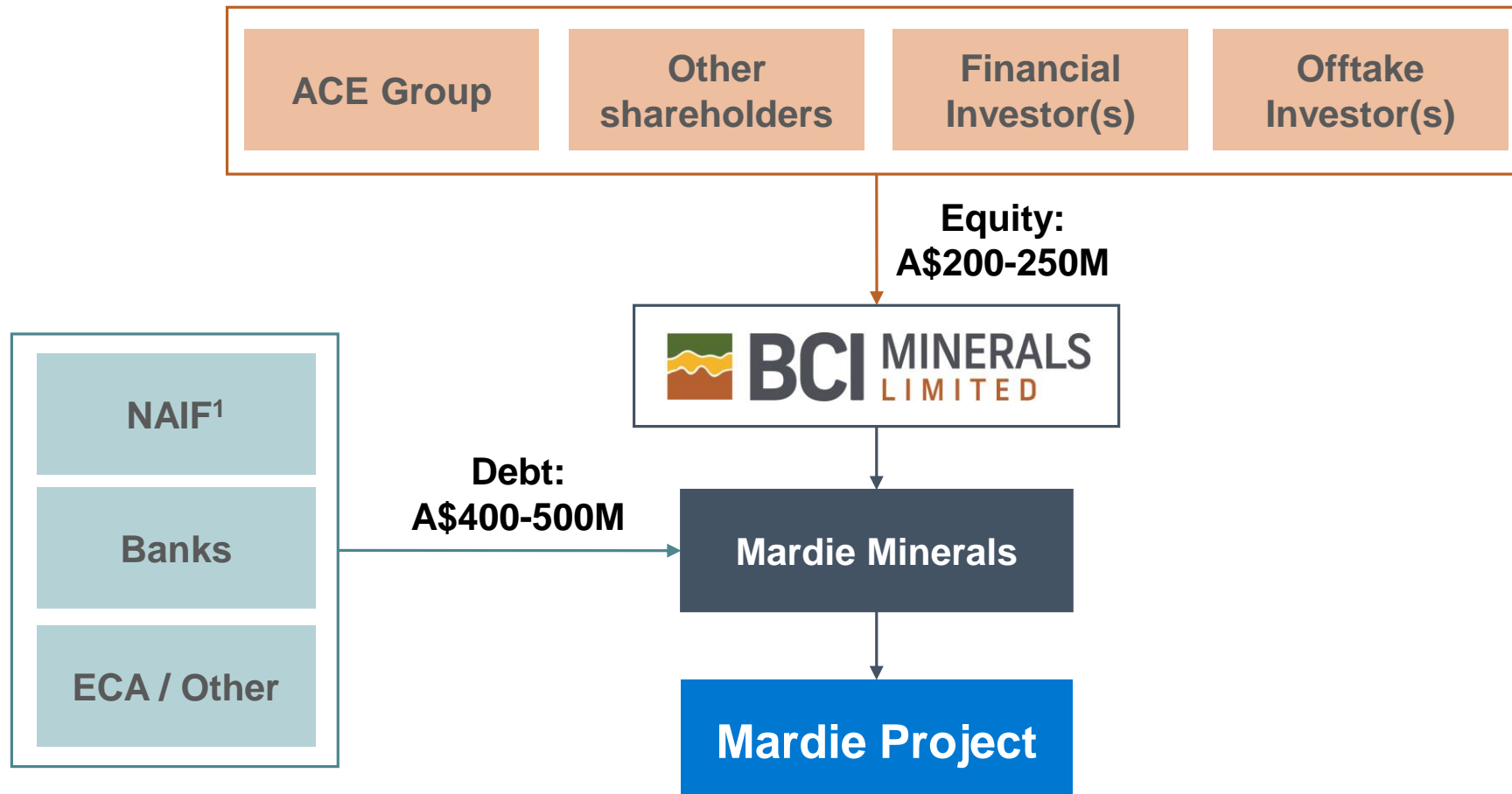
Timeline to Production

Targeting start of construction in 2H 2020 leading to first salt sales in 2H 2023



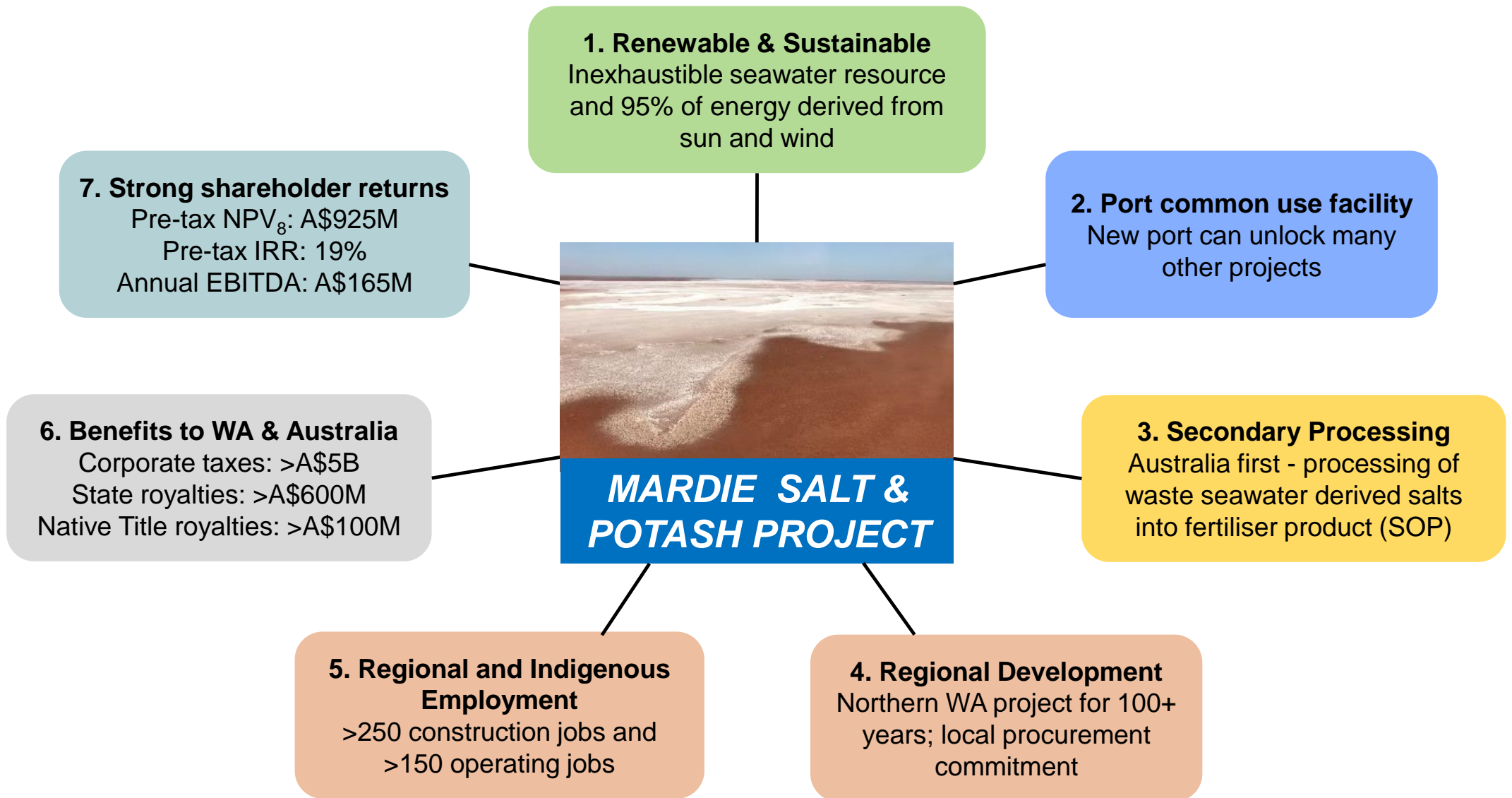
Preliminary Financing Structure Concepts

Positive engagement with potential debt and equity providers



1: North Australia Infrastructure Facility – a Federal Government loan facility

Long Term Stakeholder and Public Benefits



Mardie is a unique opportunity to create long term value



- **BCI current market capitalisation is ~A\$70M; Assets include:**
 1. **Cash: A\$43¹ and zero debt**
 2. **Iron Valley royalty NPV₈ ~A\$75M²**
 3. **Mardie Project: peer comparable valuation ~A\$100M³**

- **Current upside plus additional value potential as Mardie progresses**

BCI is well positioned to develop Mardie into a globally significant Tier 1 salt project

1. As at 31-Oct-19

2. At 7Mtpa production for 12 years and average FY18 realised prices (significant upside at FY19 and current realised prices). Refer to ASX announcement "Updated Mineral Resources and Ore Reserves" dated 25-Oct-19, including in relation to Iron Valley approval risks.

3. Peer valuation based on ~10% of Mardie's NPV₈, which is a conservative ratio compared to the value to NPV ratios of other companies at similar stages of development

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Appendix



BCI Board and Management



Brian O'Donnell
Non-Executive Chairman



- Director, Finance and Investments for Australian Capital Equity group
- Numerous current and previous board positions on ASX-listed and private companies

Alwyn Vorster
Managing Director



- Geology, Mining and MBA degrees
- Kumba; Rio Tinto; Iron Ore Holdings
- Geology; Mining; Marketing; Project studies; Funding; Corporate management

Tony Chamberlain
Project Director



- Chemistry/Metallurgy degrees (PhD)
- WMC; BHP; Vimy
- Feasibility studies, Construction, Project funding; Operations

Jennifer Bloom
Non-Executive Director



- Extensive business background with experience in governance and approvals
- Senior positions in both the private and public sector

Simon Hodge
Chief Financial Officer



- Finance degree
- JP Morgan; Poynton; Quickflix
- Corporate finance; Investment banking

Stephanie Majteles
General Counsel



- Resources lawyer
- Freehills; Rio Tinto
- Mining law, State Agreements, Approvals, Procurement

Michael Blakiston
Non-Executive Director



- Partner in Gilbert + Tobin's Energy + Resources group
- Has served on numerous ASX and not-for-profit boards

Michael Klvac
General Manager – Corporate Affairs



- Science and Economics degrees
- Rio Tinto; BHP; Iron Ore Holdings
- Environmental approvals; Native Title and Stakeholder management

Mardie Project Team

External Support

Lead DFS Engineer



Ponds & Crystallisers



Salt Plant



Salt Partners
Turning salt into gold

SOP Plant



Port



Multiple others: market, shipping, approvals, tenure and engineering

Internal Mardie Team

Tony Chamberlain

Project Director

- Chemistry / Metallurgy degrees (PhD)
- WMC; BHP; Vimy
- Feasibility studies; Construction; Operations

Laurie Huck

Eng Manager Port

- B Eng Elec
- SKM, PDC, HBH
- Feasibility studies; Design; Construction

Warwick Jones

Manager Operations

- B Eng Mining
- Barrick, BC Iron
- Mine operations; Construction; Projects

Andrew Wydler

Eng Manager Plants

- B Eng Chem
- WMC, Sherritt, BHP, Worley
- Plant design; Studies; Construction; Operations

Matt Gurr

Marketing Manager

- B Eng Chem
- Rio Tinto
- 20-years Asia marketing; Rio Tinto Korea Country Manager

Tony Cattalini

Superintendent Ops

- B Sc Chem
- Dampier Salt
- Salt operations; Construction; Gas pipeline certification

Michael Klvac

GM Corporate Affairs

- B Sc & B Comm
- Rio Tinto, BHP, IOH
- Approval; Heritage; Tenure

Takashi Kawada

Marketing Executive

- MBA, Insead Marketing
- Dampier Salt
- 15-years Asia salt marketing; GM Marketing for Dampier Salt

Brad Milne

Commercial Manager

- B Comm
- Azure Capital
- Project financing; Financial modelling

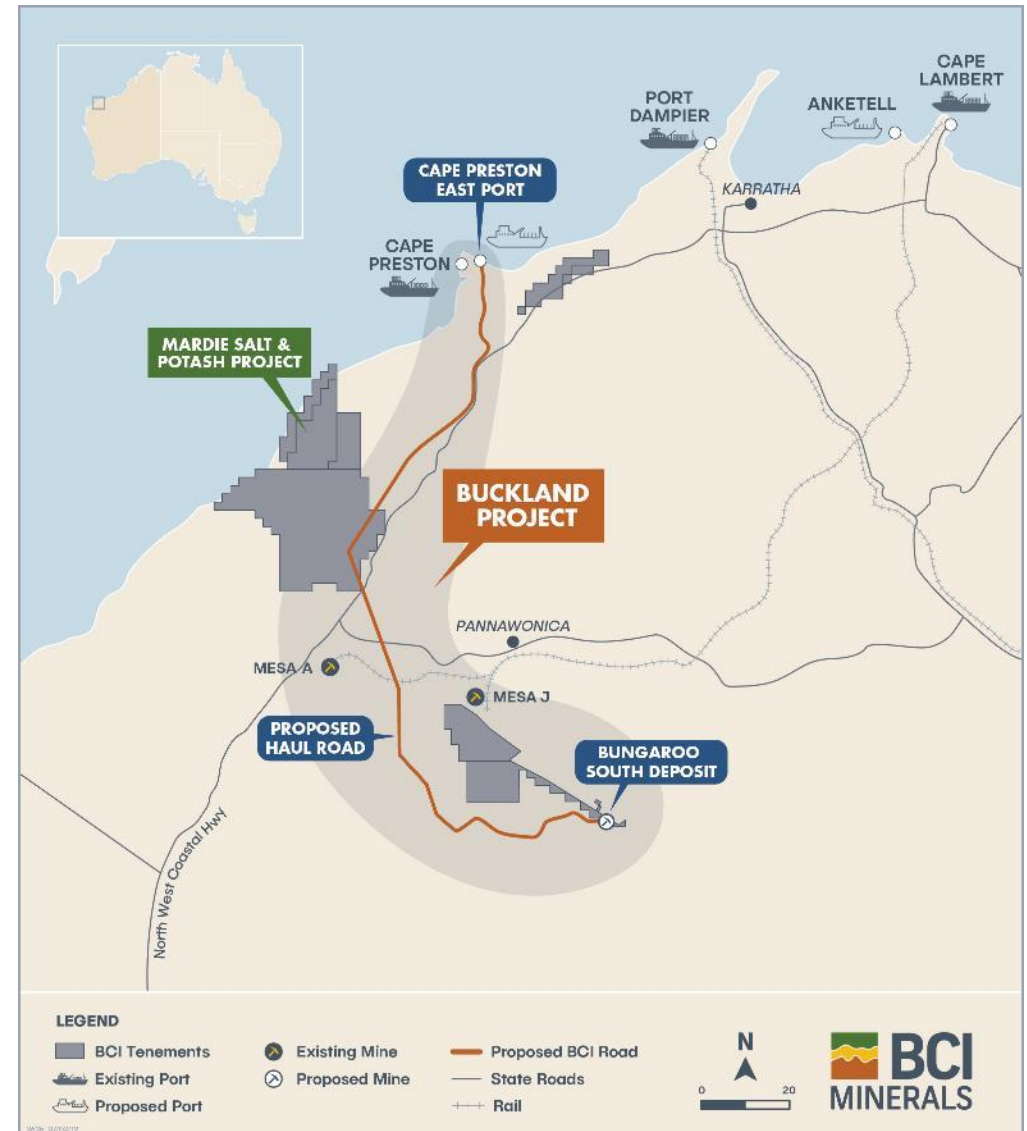
Kevin Yu

China Representative

- B Eng
- Rio Tinto
- China sales & marketing

Buckland Iron Ore Project

- Shovel-ready, iron ore development project in the West Pilbara
- Close proximity to other significant undeveloped West Pilbara deposits (numerous APIJV deposits, MinRes' Kumina deposit and Flinders' Pilbara Iron Ore Project)
- Ore Reserve of 134.3Mt at 57.6% Fe and Mineral Resource of 283.2Mt at 56.5% Fe¹
- Feasibility Study completed in June 2014²
 - 8Mtpa mine at Bungaroo South for 15 yrs; 1:1 strip ratio
 - Independent infrastructure solution – private haul road to new 20Mtpa transshipment port at Cape Preston East
 - NPV₁₀ of A\$990M, IRR of 24% and annual EBITDA of A\$260M
 - Upfront capex of A\$744M and C1 cash opex of A\$48.4/t
- Key tenure, approvals and agreements in place for the mine, road and port
- Current 62% Fe spot price of ~A\$130/t vs long term price assumption in Feasibility Study of ~A\$115/t
- BCI considering a sale of Buckland for appropriate value



1. Refer to Iron Ore Holdings Ltd ASX announcement "Buckland Project Updated Ore Reserve" dated 4-Jun-14
 2. Refer to Iron Ore Holdings Ltd ASX announcement "Buckland Project Positive Feasibility Study Results" dated 4-Jun-14



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