

## 2017 ANNUAL GENERAL MEETING – CHAIRMAN’S ADDRESS

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### Opening Comments:

The past 12 months have been an important period for BCI, with solid progress made on a number of fronts. I would like to take you through some of the key points now.

This time last year, BCI had just completed a successful \$25 million entitlement offer, and unveiled a refreshed corporate strategy, focused on growth and targeted diversification. Since then, we have made progress with our existing projects, and made positive steps towards diversifying the Company’s commodity exposure. Our vision for diversification is simple:

1. Maintain and grow in iron ore, where we see a strong future for the company;
2. Build a presence in agricultural and industrial minerals, especially salt and potash; and
3. Develop value in gold and base metals, initially through exploration of our regional tenements.

I will discuss each of these briefly in turn, and Alwyn will provide more detail after the meeting.

### Iron Ore:

Iron Valley remains our main current source of revenue. It has been a solid earnings generating asset, although we’ve seen some pressure on pricing for sub 60% Fe grade products recently.

I would like to recognise the achievements of Mineral Resources Limited, the operator of Iron Valley. Chris Ellison and his team consistently perform strongly from a production, pricing and safety perspective. They are excellent partners.

The Buckland Project is the Company’s strategic iron ore development project. Our Buckland strategy is to define a viable 15Mtpa iron ore operation from company-owned deposits, attract financial support from new partners, and establish the Cape Preston East Port as a 20Mtpa multi-commodity, multi-user port.

We expect to achieve the reserves needed to underpin the proposed iron ore operation from our existing Bungaroo South resource, together with resources we hope to prove at the recently acquired Kumina tenements. Kumina is an underexplored tenement package, which we think is highly prospective for iron ore deposits which are complementary to Bungaroo South ore.

## **Agricultural and Industrial Minerals:**

Our aim is for BCI's 100% owned Mardie Salt Project to become a solar evaporation operation producing 3.0-3.5Mtpa of industrial grade salt, for export through Cape Preston East. This project is important for both our commodity diversification aspirations, and our Cape Preston East port plans. Our scoping study has already been completed, and this year, we plan to complete further studies to help prove the viability of this project.

We have entered the Australian agricultural minerals industry through our joint venture with Kalium Lakes Limited, over the Carnegie Project. This is a sulphate of potash ("SOP") project, which we view as a key fertiliser commodity with a favourable long-term outlook linked to population growth and food consumption.

## **Exploration:**

Exploration activities are increasing at our Pilbara exploration tenements. We think these are prospective for gold, base metals and lithium. Exploration is a proven way for junior resource companies to create value for shareholders. We have done this successfully at Iron Ore Holdings, which owned all the current BCI exploration tenements, and we're committed to exploration as part of BCI's ongoing operations. Shareholders would also be aware from our recent announcement that initial results from exploration at our Marble Bar tenements are encouraging.

## **Concluding Comments:**

I'd like to thank my fellow Board members, including our two new Directors, Jenny Bloom and Michael Blakiston, for their ongoing valuable support on all matters. I'd also like to acknowledge BCI's Managing Director, Alwyn Vorster, who leads the Company with energy and focus, and our team of committed and professional employees.

In conclusion, we are optimistic about our prospects to create more value for shareholders. We have good exposure across iron ore (including a number of potential future royalties), potash and salt, and some potentially exciting exploration upside. We have a clear plan mapped out, to progress these projects towards development and realisation of value for shareholders. We recognise that the market has been cautious in reflecting value for these assets in the share price, but we are confident this will come in time. Thank you for your ongoing interest and support.

Brian O'Donnell  
Non-Executive Chairman  
23 November 2017