

18 September 2020

NOT FOR RELEASE TO USA WIRE SERVICES OR DISTRIBUTION IN THE USA

Dear Shareholder,

BCI MINERALS ACCELERATED NON-RENOUNEABLE ENTITLEMENT OFFER – LETTER TO EXCLUDED FOREIGN HOLDERS

On 14 September 2020, BCI Minerals Limited (ACN 21 120 646 924) (**Company**) announced it would be conducting an accelerated non-renounceable entitlement offer to eligible shareholders of approximately 199.5 million fully paid ordinary shares (**New Shares**) at an issue price of \$0.24 per New Share on the basis of one New Share for every two fully paid ordinary shares (**Shares**) held at 5.00pm (WST) on 16 September 2020 (**Record Date**) to raise approximately \$48 million (including costs) (**Entitlement Offer**).

The Entitlement Offer is fully underwritten by Canaccord Genuity (Australia) Limited (AFSL 234666) (**Canaccord**) and Bell Potter Securities Limited (AFSL 243480) on a 50/50 basis (collectively, the **Underwriters**). The Underwriters have committed to underwrite the full amount to be raised under the Entitlement Offer on the terms and conditions of the underwriting agreement between the Underwriters and the Company dated 14 September 2020 (**Underwriting Agreement**).

Entitlement Offer

The Entitlement Offer is being made by the Company in accordance with section 708AA of the *Corporations Act 2001* (Cth) without a prospectus or product disclosure document in accordance with section 708AA of the *Corporations Act 2001* (Cth) (**Act**), as modified by *ASIC Corporations (Non-Traditional Rights Issues) Instrument 2016/84*.

The Entitlement Offer comprises an offer to eligible institutional shareholders (**Institutional Entitlement Offer**) and an offer to Eligible Retail Shareholders (as defined below) (**Retail Entitlement Offer**) to participate on the same terms. The Institutional Entitlement Offer has already closed and the results were announced to the ASX on 16 September 2020.

Retail Entitlement Offer

The Retail Entitlement Offer is being made to Eligible Retail Shareholders (as defined below) on the basis of one New Share for every two Shares held at 5.00pm (WST) on the Record Date (being Wednesday, 16 September 2020). The Company is expected to raise approximately \$27.1 million under the Retail Entitlement Offer.

The Company has today lodged a Retail Entitlement Offer booklet with the ASX, which sets out further details in respect of the Retail Entitlement Offer (**Offer Booklet**). The Offer Booklet is expected to be mailed to Eligible Retail Shareholders (as defined below) today.

Eligibility Criteria of the Retail Entitlement Offer

Shareholders who are eligible to participate in the Retail Entitlement Offer (**Eligible Retail Shareholders**) are shareholders who:

- are registered as a holder of Shares as at 5.00pm (WST) on 16 September 2020;
- have a registered address on the Company's share register that is in Australia, New Zealand, Canada (British Columbia and Ontario provinces only), Hong Kong, Japan, Singapore or the United Kingdom (**Permitted Jurisdictions**);

- are not in the United States and are not acting for the account or benefit of a person in the United States (to the extent such a person holds Shares for the account or benefit of such persons in the United States);
- were not invited to participate in the Institutional Entitlement Offer (other than a nominee, trustee or custodian in respect of other underlying holdings) or treated as an ineligible institutional shareholder for that purpose; and
- are eligible under all applicable securities laws to receive an offer under the Retail Entitlement Offer without a prospectus, disclosure document or any lodgement, filing, registration or qualification (excluding Canada, where a notice filing may be required with relevant provincial securities regulators), being Institutional Investors in the Permitted Jurisdictions (other than in respect of Australia, New Zealand and Singapore).

Unfortunately, according to our records, you do not satisfy the eligibility criteria for an Eligible Retail Shareholder. Accordingly, in compliance with ASX Listing Rule 7.7.1(b) and section 9A of the Act, the Company wishes to advise you that it will not be extending the Retail Entitlement Offer to you and you will not be able to subscribe for New Shares under the Retail Entitlement Offer. You will not be sent the Offer Booklet or be able to subscribe for New Shares under the Retail Entitlement Offer.

The Company has determined, pursuant to section 9A of the Act and ASX Listing Rule 7.7.1(a), that it is unreasonable to extend the Retail Entitlement Offer to those shareholders that are outside the Permitted Jurisdictions (**Excluded Foreign Holders**). Determination of eligibility of investors for the purposes of the Retail Entitlement Offer is determined by the Company with reference to a number of matters. Matters that the Company has taken into account include the size of the shareholdings held by the Excluded Foreign Holders and the costs of complying with the legal requirements and the requirements of the regulatory authorities relating to Excluded Foreign Holders.

You have been identified as an Excluded Foreign Holder and accordingly, the Company is unable to extend to you the opportunity to participate in the Retail Entitlement Offer. The Company has appointed (and ASIC has approved) Canaccord (**Nominee**) as nominee under section 615 of the Corporations Act to act as the sale nominee in connection with the Entitlement Offer. The Nominee will sell the New Shares under the Entitlement Offer that would have been issued to shareholders who are Excluded Foreign Holders and remit any net proceeds of the sale to those shareholders.

No action required

This notice is to inform you about the Retail Entitlement Offer and explain why you will not be able to subscribe for New Shares under the Retail Entitlement Offer. This notice is not an offer to issue entitlements or New Shares to you, nor an invitation for you to apply for entitlements or New Shares. You are not required to do anything in response to this letter.

On behalf of the Board and management of the Company, we regret that you are not eligible to participate in the Retail Entitlement Offer but thank you for your ongoing support of the Company.

If you have any questions in relation to the above, please do not hesitate to contact the Company's share registry, Computershare, on 1300 850 505 (if within Australia) or +61 3 9415 4000 (if outside Australia), Monday to Friday. For other questions, you should consult your broker, solicitor, accountant, financial adviser or other professional adviser.

Yours sincerely,



Susan Hunter
COMPANY SECRETARY