

STRONG EARNINGS SUPPORT MARDIE DEVELOPMENT

- **Group net profit after tax (NPAT) of \$22.0M (vs \$0.4M in FY20)**
- **Record annual Iron Valley EBITDA of \$69.5M (vs \$23.0M in FY20)**
- **Cash position of \$79.4M¹ and zero debt at 30 June 2021**
- **Mardie's final investment decision (FID) remains subject to finalisation of statutory approvals**

BCI Minerals Limited (ASX:BCI) ('BCI' or the 'Company') is pleased to announce financial results for the full-year ended 30 June 2021 ('FY21').

The Company achieved net profit after tax of \$22.0M in FY21 versus \$0.4M in FY20. The Iron Valley mine delivered record earnings for BCI, driven by the sustained strength of iron ore prices. Iron Valley operator, Mineral Resources Limited ('MIN'), shipped 6.1Mt during the year which generated revenue for BCI of \$160.2M and a record full-year Iron Valley EBITDA of \$69.5M.

BCI's focus during the financial year was on completing the Optimised Feasibility Study ('OFS') and progressing the funding, approvals, tenure and offtake aspects of the Mardie Salt & Potash Project. Total Mardie expenditure increased from \$26.3M in FY20 to \$52.1M in FY21 including operating expenditure and enabling capital expenditure.

Important progress was made during the year with regard to the approvals and tenure required for the development of Mardie. The Western Australian Environmental Protection Authority ('EPA') recommended to the WA Minister for Environment that the Mardie Project can be implemented as proposed in the Environmental Review Document ('ERD'), subject to certain conditions which are materially consistent with BCI's designs, costings and implementation plans as outlined in its initial Definitive Feasibility Study². Following the completion of the final public appeals process, the Minister will consult with other WA Government departments before making a decision. Main construction of the Project can only commence when BCI has received the Ministerial approval as well as associated secondary approvals.

Funding for the Mardie Project was significantly advanced with the Federal Government's Northern Australia Infrastructure Facility ('NAIF') approving a 15-year \$450M loan for the Mardie Project in December 2020. The NAIF loan will sit alongside other debt tranches with a number of commercial banks and other lenders progressing through credit approval processes. In addition, BCI raised \$47.9M of equity with strong support from its existing major shareholders in the first half of FY21. The proceeds of the equity raising facilitated early enabling works at Mardie, including the expansion of the accommodation village, access road upgrades, improved communications, establishment of construction water supply and storage, installation of fuel storage facilities, and an embankment wall trial.

¹ Excludes Iron Valley June quarter royalty payment of \$32.2M received in July 2021.

² Refer to ASX Announcement dated 1 July 2020.

BCI recorded strong results across revenue, EBITDA and net profit after tax in FY21 as shown in the table below.

\$M	30 June 2021	30 June 2020
Revenue	160.5	77.2
EBITDA	28.9	8.3
Interest, tax, depreciation and amortisation	(4.7)	(2.9)
Impairment of assets	(2.2)	(5.0)
Net profit after tax	22.0	0.4

BCI's EBITDA of \$28.9M for the year comprised the following contributions from of each segment of the Group.

\$M	30 June 2021	30 June 2020
Iron Valley	69.5	23.0
Gains from divestments	-	10.2
Mardie	(34.5)	(18.7)
Other	(6.1)	(6.2)
Total EBITDA	28.9	8.3

BCI incurred \$17.6M of Mardie capex as outlined below, reflecting an increase in site-based activities during the year.

\$M	30 June 2021	30 June 2020
Exploration & evaluation expenditure	3.6	4.4
Early enabling works program	14.0	3.2
Total Mardie capex	17.6	7.6

Outlook

With a cash balance of \$110M at 31 July 2021, zero debt and ongoing Iron Valley royalty earnings, BCI is in a strong position to advance the Mardie Project to FID this year. In the interim, BCI intends to continue investing its cash reserves in the Project with construction of embankment trial walls currently underway.

The objective for the balance of 2021 is to secure the remaining approvals, tenure, and full \$1.2 billion funding solution for the Mardie Project. That will allow main construction of the 100-year Project to commence early in 2022.

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

For further information:

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ABOUT BCI MINERALS

BCI Minerals Limited (ASX:BCI) is an Australian-based company that is developing a salt and potash business supported by iron ore royalty earnings.

BCI is rapidly advancing its 100% owned Mardie Salt & Potash Project, a potential Tier 1 project located on the West Pilbara coast in the centre of Australia's key salt production region.

Mardie aims to produce 5.35Mtpa of high-purity salt (>99.5% NaCl) and 140ktpa of sulphate of potash (SOP) (>52% K₂O) via solar evaporation of seawater.³ Using an inexhaustible seawater resource and a production process driven mainly by natural solar and wind energy, Mardie is a sustainable opportunity to supply the salt and potash growth markets in Asia over many decades. There is potential to optimise and expand the project beyond currently planned production levels.

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 EBITDA from Iron Valley was A\$69.5M in FY21.

KEY STATISTICS

Shares on issue	599.6 million	
Cash in bank	\$110 million	as at 31 July 2021
Board	Brian O'Donnell	Non-Executive Chairman
	Alwyn Vorster	Managing Director
	Michael Blakiston	Non-Executive Director
	Jenny Bloom	Non-Executive Director
	Garret Dixon	Non-Executive Director
	Richard Court	Non-Executive Director
	Chris Salisbury	Non-Executive Director
Major shareholders	Wroxby Pty Ltd	39.6%
	Sandon Capital Pty Ltd	6.1%
Website:	www.bciminerals.com.au	

³ Refer to ASX announcement dated 21 April 2021. BCI confirms that all material assumptions underpinning the production forecast and financial information derived from the production forecast have not materially changed and continue to apply.