

24 December 2021

ASX Market Announcements Office

Dear Sir/Madam

CLEANSING NOTICE UNDER SECTION 708A(12C) OF THE CORPORATIONS ACT 2001 (CTH)

BCI Minerals Limited ABN 21 120 646 924 (ASX: BCI) (**BCI** or **Company**) gives this cleansing notice (**Cleansing Notice**) under section 708A(12C)(e) of the Corporations Act 2001 (Cth) (**Corporations Act**) as amended by the ASIC Corporations (Sale Offers: Securities Issued on Conversion of Convertible Notes) Instrument 2016/82 (the **Instrument**).

The Company hereby gives notice that:

- (a) the series 1 convertible notes (**Convertible Notes**) (as approved by shareholders at the Company's extraordinary general meeting on 20 December 2021) were issued without disclosure to investors under Part 6D.2 of the Corporations Act; and
- (b) this Cleansing Notice has been given in accordance with section 708A(12C)(e) of the Corporations Act as amended by the Instrument.

The issue of this Cleansing Notice enables the fully paid ordinary shares in the capital of the Company (Shares) issued on the conversion of the Convertible Notes issued by the Company on the terms described below, to be on-sold to retail investors without further disclosure.

The Cleansing Notice is important and should be read in its entirety.

The Company has entered into a subscription deed in relation to the Convertible Notes with AustralianSuper Pty Ltd (ABN 65 714 394 898) as trustee for AustralianSuper (**AustralianSuper**) dated 17 November 2021 (**Deed**). Pursuant to the Deed, the Company has issued 46,662,048 Convertible Notes in exchange for the transfer of 31,147,824 ordinary shares in Agrimin Limited (**AMN**) and 26,349,498 ordinary shares in Highfield Resources Limited (**HFR**).

The Directors consider that the raising of capital by the issue of the Convertible Notes is in the best interests of the Company.

1 Contents of this Cleansing Notice

The Cleansing Notice sets out the following:

- (a) in relation to the Convertible Notes:
 - (i) the effect of the issue on the Company;
 - (ii) a summary of the rights and liabilities attaching to the Convertible Notes;

- (iii) a summary of the rights and liabilities attaching to the Shares that will be issued on the conversion of the Convertible Notes; and
- (b) any information that:
 - (i) has been excluded from continuous disclosure notices in accordance with the ASX Listing Rules; and
 - (ii) is information that investors and their professional advisors would reasonably require for the purpose of making an informed assessment of:
 - (A) the assets and liabilities, financial position and performance, profits and losses and prospects of the Company; and
 - (B) the rights and liabilities attaching to the Shares; and
- (c) other information relating to the Company's status as a disclosing entity.

2 The effect of the issue on the Company

The principal effect of the issue of the Convertible Notes on the Company will be to:

- (a) result in the Company acquiring and becoming the registered holder of 31,147,824 ordinary shares in AMN and 26,349,498 ordinary shares in HFR;
- (b) increase the number of unquoted Convertible Notes on issue from zero to 46,662,048;
- (c) give rise to the Company having a liability for the aggregate amount of the Face Value of the Convertible Notes (A\$29,093,787); and
- (d) if the Convertible Notes are converted, either wholly or in part to Shares increase the number of Shares as a consequence of the issue of Shares on such conversion.

3 Potential effect on capital structure

As at the date of this Cleansing Notice, the issued capital of the Company is 1,206,098,756 ordinary shares.

The capital structure of the Company will be affected by the conversion of the Convertible Notes to Shares by AustralianSuper.

The maturity date of the Convertible Notes is 10 years after date of issuance (unless all Convertible Notes are redeemed or converted earlier).

Upon conversion, the number of Shares to be issued to AustralianSuper will be calculated on the following basis: Principal Outstanding / Conversion Price.

The “**Principal Outstanding**” is the face value of the Convertible Notes, together with the establishment fee accrued and capitalised interest (if any). The Convertible Notes do not bear any interest.

The “**Conversion Price**” is the initial conversion price of A\$0.6235 adjusted for certain corporate actions of the Company during the term of the Convertible Notes in accordance with certain adjustment rules.

For further information please see the rules annexed in the notice of general meeting lodged with the ASX on 18 November 2021.

In addition, the Company will have 46,622,048 Convertible Notes on issue.

4 Rights and liabilities attaching to the Convertible Notes

A broad summary of the rights, privileges and restrictions attaching to the Convertible Notes was set out in the Company’s announcement of 18 November 2021 (**ASX Announcement**), and is reproduced in Schedule 1 of this Cleansing Notice (noting any terms not defined in Schedule 1 have the same meaning as in the ASX Announcement). The summary is not exhaustive and does not constitute a definite statement of the rights and liabilities of the Noteholders.

5 Rights and liabilities attaching to Shares issued under the Convertible Notes

The Shares issued to the Noteholders on the conversion of the Convertible Notes will rank equally in all respects with all of the Company’s existing Shares. The rights and liabilities attaching to the Shares, including new Shares to be issued to the Noteholders on the conversion of the Convertible Notes, are set out in the Company’s constitution, and, in certain circumstances, regulated by the Corporations Act, the ASX Listing Rules and the general law. The Company’s constitution can be inspected free of charge, at the Company’s registered office during normal business hours.

The Company intends to apply to ASX for quotation of the Shares issued on conversion of any Convertible Notes.

The following is a broad summary of the rights, privileges and restrictions attaching to all Shares. This summary is not exhaustive and does not constitute a definitive statement of rights and liabilities of Shareholders.

General meetings	Each Shareholder is entitled to receive notice of and to attend general meetings for the Company and to receive all notices, accounts and other documents required to be sent to Shareholders under the Constitution of the Company, the Corporations Act or the Listing Rules.
Voting	Every holder of Shares present in person or by proxy, attorney or representative at a meeting of Shareholders has one vote on a vote taken by a show of hands, and, on a poll every holder of Shares who is present in person or by proxy, attorney or representative has one vote for every Share held by him or her, and a proportionate vote for every Share, registered in such shareholder's name on the Company's share register. A poll may be demanded by the chairman of the meeting, by any five Shareholders entitled to vote on the particular resolution present in person or by proxy, attorney or representative, or by any one or more Shareholders who are together entitled to not less than

	5% of the total voting rights of, or paid up value of, the Shares of all those Shareholders having the right to vote on the resolution.
Dividends	Dividends may be paid to Shareholders as declared by the Board at its discretion.
Liquidation	If the Company is wound up, the liquidator may, with the authority of a special resolution, divide among the Shareholders in kind the whole or any part of the property of the Company, and may for that purpose set such value as he considers fair upon any property to be so divided, and may determine how the division is to be carried out as between the Shareholders or different classes of Shareholders.
Rights on winding up	If the Company is wound up, the right of a Shareholder to participate in the distribution of the surplus assets of the Company is dependent upon the class of shares they hold.
Transfer of Shares	A Shareholder may transfer Shares by a market transfer in accordance with any computerised or electronic system established or recognised by the Listing Rules or the Corporations Act for the purpose of facilitating transfers in Shares or by an instrument in writing in a form approved by ASX or in any other usual form or in any form approved by the Directors. The Directors of the Company may refuse to register any transfer of Shares, (other than a market transfer) where the Company is permitted or required to do so by the Listing Rules or the ASX Settlement Operating Rules. The Company must not prevent, delay or interfere with the registration of a proper market transfer in a manner which is contrary to the provisions of any of the Listing Rules or the ASX Settlement Operating Rules.
Variation of rights	If at any time the share capital is divided into different classes of shares, the rights attached to any class (unless otherwise provided by the terms of issue of the shares of that class), whether or not the Company is being wound up, may be varied with the consent in writing of the holders of 75% of the issued shares of that class or if authorised by a special resolution passed at a separate meeting of the holders of the shares of that class.
ASX Listing Rules	If the Company is admitted to the Official List, then despite anything in the constitution of the Company, if the Listing Rules prohibit an act being done, the act must not be done. Nothing in the constitution prevents an act being done that the Listing Rules require to be done. If the Listing Rules require an act to be done or not to be done, authority is given for that act to be done or not to be done (as the case may be). If the Listing Rules require the constitution to contain a provision or not to contain a provision the constitution is deemed to contain that provision or not to contain that provision (as the case may be). If a provision of the constitution is or becomes inconsistent with the Listing Rules, the constitution is deemed not to contain that provision to the extent of the inconsistency.

6 Compliance with disclosure obligations

The Company is a disclosing entity under the Corporations Act and, as such, is subject to regular reporting and disclosure obligations under both the Corporations Act and the ASX Listing Rules.

These obligations require the Company to notify ASX of information about specific events and matters as they arise. In particular, the Company is obliged to continuously disclose to the market immediately any information which a reasonable person would expect to have a material effect on the price or the value of the Shares.

The Company is also required to prepare and lodge with ASIC yearly and half-yearly financial statements accompanied by a directors' statement and report, and an audit report or review. Copies of documents lodged with ASIX in relation to the Company may be obtained from, or inspected at, an ASIC office.

The Company will provide a copy of each of the following documents, free of charge, to any person on request:

- (a) the annual financial report most recently lodged by the Company with ASIC, being the financial report of the Company for the year ended 30 June 2021;
- (b) any half-year financial report lodged by the Company with ASIC after the lodgement of the annual financial report referred to above and before lodgement of this Cleansing Notice with ASX; and
- (c) any continuous disclosure notices given by the Company to ASX after the lodgement of the annual financial report referred to above and before the lodgement of this Cleansing Notice with ASX.

A list of the continuous disclosure documents given by the Company to ASX after the lodgement of the financial report referred to in (a) and before the lodgement of this Cleansing Notice with ASX is set out in the table below. All of these documents will be provided, free of charge, to any person on request.

Name of ASX announcement	Date of ASX announcement
Mardie Project - Final Investment Decision Made	21/10/2021
Notice of Annual General Meeting/Proxy Form	22/10/2021
Letter to Shareholders - Notice of Annual General Meeting	22/10/2021
Quarterly Activities Report	28/10/2021
Mardie Appeals Determined	11/11/2021
Trading Halt	17/11/2021

\$360M Equity Raise Launched	18/11/2021
Presentation - \$360M Capital Raising to Drive Development	18/11/2021
Proposed issue of securities - BCI	18/11/2021
Notice of General Meeting/Proxy Form	18/11/2021
Letter to Shareholders - Notice of General Meeting	18/11/2021
Successful Institutional Equity Raising	19/11/2021
Westpac & ICBC - Debt Mandated	24/11/2021
Ministerial Approval for Mardie Project	25/11/2021
2021 Annual General Meeting Chairman's Address	25/11/2021
Corporate Presentation	25/11/2021
Notice Under ASIC Corporations Instrument 2019/547	26/11/2021
Share Purchase Plan Booklet	26/11/2021
Addendum to Notice of General Meeting	3/12/2021
Share Purchase Plan – How To Download Your Application Form	13/12/2021
Cape Preston West Port – Approvals Progress	20/12/2021
Results of General Meeting	20/12/2021
Director Resignation	21/12/2021
Final Director's Interest Notice – J. Bloom	21/12/2021
Mardie Marine Structures Contract Awarded	22/12/2021
Strong Support For Share Purchase Plan	23/12/2021
Additional Access Agreement Finalised	23/12/2021
Notification regarding unquoted securities – BCI	24/12/2021

Application for quotation of securities – BCI	24/12/2021
Notification regarding unquoted securities – BCI	24/12/2021
Cleansing Notice Under Section 708A(5)(e)	24/12/2021

7 Information Excluded from Continuous Disclosure Notices

As at the date of this Cleansing Notice, the Company advises that it has fully complied with its disclosure obligations under the ASX Listing Rules and the Corporations Act, and, in particular, there is no information which the Company has excluded from any of its continuous disclosure notices given in accordance with the ASX Listing Rules and the Corporations Act as at the date of this Cleansing Notice which it would be reasonable for investors and their professional advisors to require for the purpose of making an informed assessment of:

- (a) the assets and liabilities, financial position and performance, profits and losses and prospects of the Company; and
- (b) the rights and liabilities attaching to the Convertible Notes under the Deed and the Shares.

-END-

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 mineral resources company which is developing an industrial minerals business, with salt and potash as initial focus.

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 will produce 5.35Mtpa of high-purity salt (>99.5% NaCl) and 140ktpa of sulphate of potash (SOP) (>52% K₂O) via solar evaporation of seawater. Using an inexhaustible seawater resource and a production process driven mainly by natural solar and wind energy, Mardie is therefore a sustainable opportunity to supply the global salt and potash growth markets over many decades.

Main construction of the Mardie Project is targeted in early 2022, which will allow first salt sales to be achieved by Q4 2024 and first SOP sales by Q1 2026.

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 potential royalties and/or deferred payments from Koodaideri South, Bungaroo South, Kumina and Nullagine, and a 30% interest in the early stage Carnegie Potash Project.

KEY STATISTICS

Shares on issue	1,208.1 million	
Cash in bank	\$334.5 million	as at 24 December 2021
Board	Brian O'Donnell	Non-Executive Chairman
	Alwyn Vorster	Managing Director
	Michael Blakiston	Non-Executive Director
	Garret Dixon	Non-Executive Director
	Richard Court	Non-Executive Director
	Chris Salisbury	Non-Executive Director
Major shareholders	Wroxby Pty Ltd	39.5%
	Ryder Capital Management Pty Ltd	6.7%
Website:	www.bciminerals.com.au	

Schedule 1

Feature	Summary
Face Value	The total face value of the Series 1 Convertible Notes is \$29,093,787, which is equal to the 30 day VWAP of 31,147,824 ordinary shares in AMN and 26,349,498 ordinary shares in HFR prior to the date of execution of the Deed.
Term	The maturity date of the Series 1 Convertible Notes is 10 years after date of issuance (unless all Series 1 Convertible Notes are redeemed or converted earlier) (Maturity Date).
Status	<p>Prior to conversion, the Convertible Notes will rank equally with all other unsecured and unsubordinated debt obligations of the Company and confer rights on AustralianSuper as an unsecured creditor of the Company. However, they do not confer on AustralianSuper rights as a member of the Company or any right to attend or vote at general meetings of the Company.</p> <p>Any Shares issued on conversion of the Convertible Notes will rank equally with all other fully paid ordinary shares of the Company (see “Conversion at Company’s election”, “Conversion on change in control” and “Conversion on Event of Default” below).</p>
Conditions to issue	<p>Issue of the Series 1 Convertible Notes is conditional on:</p> <ol style="list-style-type: none"> 1 the completion of the issue of up to 174,418,605 Shares to AustralianSuper under the Conditional Placement Agreement; and 2 the approval of the Shareholders of the issue of the Series 1 Convertible Notes. <p>If any of the above conditions precedent are not satisfied or waived by 31 January 2022, or such other date as may be agreed between the Company and AustralianSuper in writing, the Company is not required to proceed with the issue of the Series 1 Convertible Notes.</p>
Establishment Fee	No establishment fee applies with respect to the Series 1 Convertible Notes.
Coupon	There is a zero per cent coupon rate for the Series 1 Convertible Notes.
Break Fee	A break fee does not apply to the Series 1 Convertible Notes.
Conversion at Company’s election	AustralianSuper may elect to convert the Series 1 Convertible Notes at any time from 3.5 years after issuance and prior to the Maturity Date.

Feature	Summary
Conversion on change in control	<p>AustralianSuper has the right to elect to convert the issued Convertible Notes into Shares at the Conversion Price (adjusted as set out below), upon the announcement of:</p> <p>a takeover offer under which the bidder proposes to obtain a relevant interest in 50% or more of the Shares on issue from Wroxby (or their related party) or another third party bidder (not including AustralianSuper or their related entities or affiliates) which is recommended by the Board; or</p> <p>a scheme of arrangement by the Company under which a third party would obtain a relevant interest in 50% or more of the Shares on issue,</p> <p>or upon any person otherwise acquiring such a relevant interest at any time</p> <p>(Change of Control) (including during the non-conversion period), by providing a notice to the Company within 20 business days of the Change of Control occurring.</p>
Conversion on Event of Default	<p>AustralianSuper may, at any time (including during the non-conversion period), elect to convert Convertible Notes into Shares at the Conversion Price if an Event of Default (defined below) by the Company occurs.</p>
Approvals on conversion	<p>If, upon conversion of a series of Convertible Notes, AustralianSuper would have had voting power in the Company of over 20%, then only that proportion of Convertible Notes will be converted so that AustralianSuper's shareholding in the Company is 19.9% and the Company will seek Shareholder approval of the issuance of Shares and conversion of the balance of the relevant Convertible Notes for the purposes of Item 7 of section 611 of the Corporations Act. The Company is also required to use reasonable endeavours to convert any non-converted Convertible Notes to the extent permitted by law (including to the extent conversion is permitted using the "creep" provisions under item 9 of section 611 of the Corporations Act).</p>
Conversion Price and adjustments	<p>Upon conversion, the number of Shares to be issued to AustralianSuper will be calculated on the following basis: $\text{Principal Outstanding} / \text{Conversion Price}$.</p> <p>The "Principal Outstanding" is the face value of the series of Convertible Notes, together with the establishment fee and accrued and capitalised interest (if any).</p> <p>The "Conversion Price" is the initial conversion price of A\$0.6235 adjusted for certain corporate actions of the Company during the term of the series of Convertible Notes in accordance with the adjustment rules contained at</p>

Feature	Summary
	Attachment A to the explanatory memorandum in the Company's notice of meeting dated 18 November 2021.
Redemption at Company's election	<p>At any time prior to the maturity date, unless all of the Series 1 Convertible Notes have already been converted, the Company may issue an optional call notice to AustralianSuper specifying a date for redemption of some or all of the outstanding Series 1 Convertible Notes which is at least 20 business days after giving notice to the AustralianSuper of such date (Redemption Date).</p> <p>If the Redemption Date is more than is 3.5 years after the date of issuance of the Series 1 Convertible Notes, no later than the date which is 5 business days prior to the Redemption Date, AustralianSuper must notify the Company whether it elects (in its sole discretion) for those Series 1 Convertible Notes to be converted into Shares, or for the Company to redeem those Series 1 Convertible Notes for a cash amount equal to the relevant portion of the then outstanding principal amount on the Redemption Date.</p>
Mandatory redemption on maturity	<p>To the extent that all of a series of Convertible Notes have not yet been converted on or before the applicable maturity date, then the relevant Convertible Notes not already converted will be redeemed by the Company for cash for 100% of the then outstanding principal amount upon maturity.</p> <p>The Company may also redeem all Convertible Notes not already converted for 100% of the then outstanding principal amount in cash if a Change of Control occurs, and AustralianSuper has not made a conversion election within 20 business days of being notified of the Change of Control occurring.</p>
Redemption at AustralianSuper's election on Event of Default	If an Event of Default occurs (defined below), AustralianSuper may require the Company to redeem the outstanding Convertible Notes for cash for 100% of the then outstanding principal amount of those Convertible Notes.
Event of Default	An "Event of Default" includes customary events, including relating to a failure to pay amounts due, insolvency events, material breach of warranties, an event of default occurring (and having not been remedied within the applicable period), circumstances occur which would result in a material adverse effect, fundamental changes to the Company's main business undertaking or the Company ceasing to be listed on the ASX or suspended from trading for more than 15 consecutive ASX trading days in any 12 months.
Governance Rights	Provided AustralianSuper holds at least 15% of the Shares, AustralianSuper may from time to time nominate one person for appointment to the Board

Feature	Summary
	as a non-executive director, subject to that person being acceptable to the Board (acting reasonably).
Undertakings	<p>The Company must comply with various customary undertakings prior to the maturity date, including in relation to the conduct of its business, non-disposal of material assets, not making material changes to its constitution and compliance with laws.</p> <p>For so long as a series of Convertible Notes remains outstanding and prior to the date 5 business days after a Change of Control event (if any), the Company also undertakes to consult with AustralianSuper prior to issuing any ordinary shares, equity securities or debt securities for the primary purpose of raising capital for the Company or entering into debt financing agreements (other than certain permitted debt facilities), however consent of AustralianSuper is not required for any such transactions or agreements.</p>
Representations and warranties	The Company gives customary representations and warranties including in relation to registration, power and capacity, solvency, authorisations, compliance with law, ranking, capital structure, accuracy of information and litigation (as applicable).
Assignment	AustralianSuper may assign or transfer the Convertible Notes to any of its related bodies corporate or to any successor superannuation fund or replacement custodian or trustee with written notice to the Company provided it is validly transferred, the assignee enters into a deed of assignment and assumption and the assignee remains a related body corporate. Otherwise, the Convertible Note Deed or Convertible Notes cannot be assigned or transferred without the prior written consent of the other party.