ASX Release
24 May 2018

# ADDITIONAL POSITIVE KUMINA DRILLING RESULTS

- **Kumina 270-hole Stage 2 drilling programme successfully completed, with discoveries at Kumina E and J (in addition to discovery of Kumina A in Stage 1 campaign[1])**
- **Positive Kumina E drilling results already announced during the last month.[2] Latest assays received support previous results**
- **Initial results from Kumina J confirm the discovery of another high-grade iron ore deposit. A selection of the best results from Kumina J include:**
  - **46m at 61.9% Fe from surface (incl. 12m at 63.5% Fe from 4m) and 44m at 59.8% Fe from 50m in hole KRC0134**
  - **42m at 62.2% Fe from 2m, 28m at 59.6% Fe from 50m and 14m at 58.7% Fe from 82m in hole KRC0136**
  - **48m at 60.6% Fe from surface (incl. 20m at 62.5% Fe from 4m) and 14m at 58.3% Fe from 52m in hole KRC0181**
  - **32m at 61.6% Fe from surface and 38m at 58.6% Fe from 40m in hole KRC0133**
  - **16m at 63.4% Fe from surface (incl. 6m at 65.9% Fe from surface) in hole KRC0165**
  - **14m at 63.0% Fe from surface (incl. 8m at 65.7% Fe from surface) in hole KRC0158**
  - **12m at 64.6% Fe from surface in hole KRC0164**
- **Assaying, interpretation and modelling underway as part of a maiden Mineral Resource estimate for Kumina A, E and J, which is due in June**
- **Planning well progressed for a Stage 3 drilling campaign, expected to commence in the September 2018 quarter**

BCI Minerals Limited (ASX: BCI) ("BCI" or the "Company") is pleased to provide additional results from the Stage 2 drilling programme at Kumina, which is testing a number of targets.

Commenting on the results, BCI Managing Director, Alwyn Vorster, said: "*With these positive drilling results from Kumina J, we have now confirmed the discovery of two high grade bedded iron deposits on our Kumina tenements in a short period of time. Kumina has the potential to transform the overall Buckland Iron Ore Project or to be become a standalone operation with higher quality products."*

[1] Refer to BCI announcements "Initial Kumina Drilling Confirms Iron Ore Potential" dated 23-Jan-18 and "Further Positive Kumina Exploration Results" dated 19-Feb-18. BCI is not aware of any new information or data that materially affects the information included in these announcements.
[2] Refer to BCI announcement "Kumina Drilling Delivers High Grade Results" dated 9-May-18. BCI is not aware of any new information or data that materially affects the information included in this announcement.

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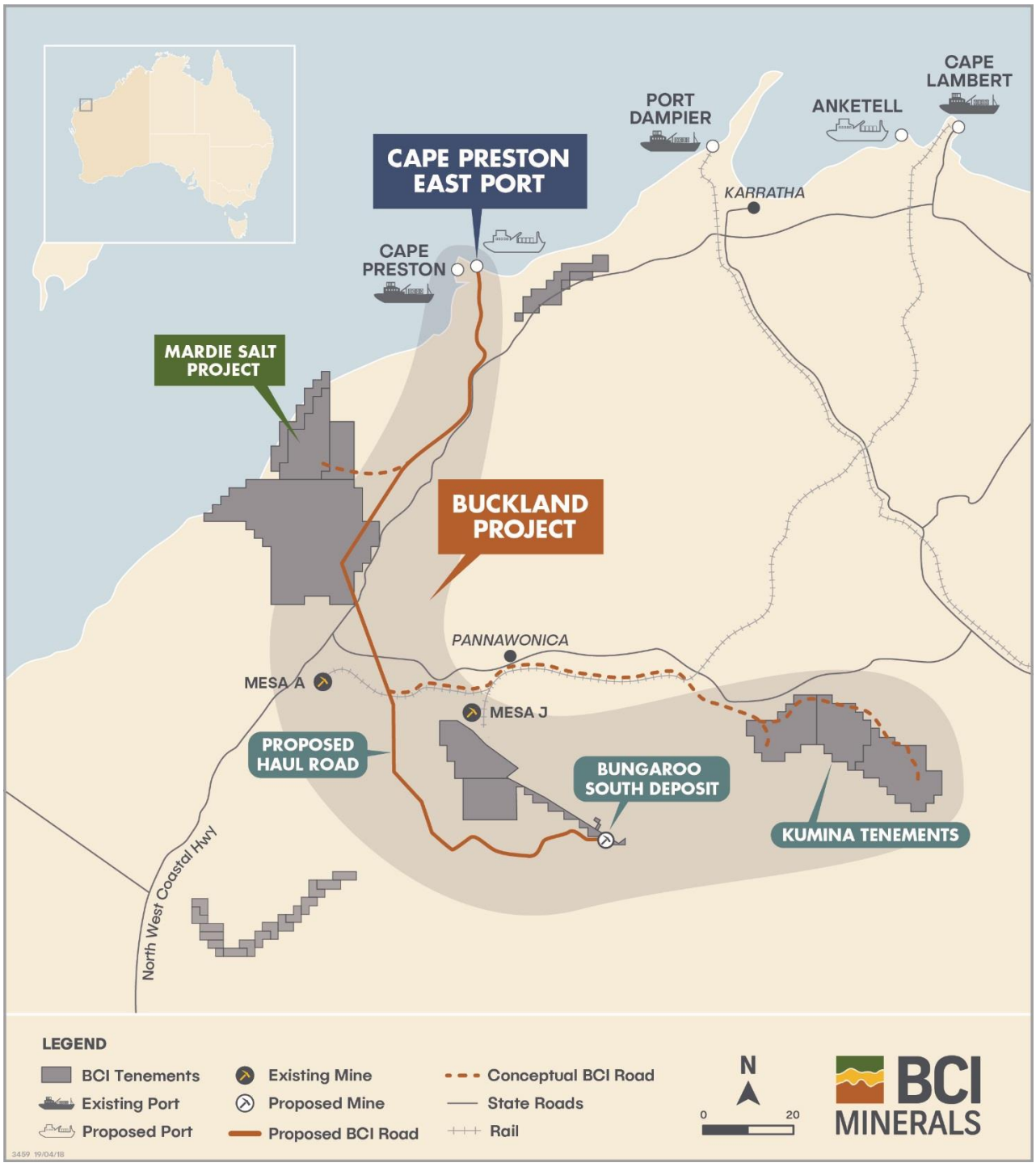
### *Overview of the Kumina Tenements*

The Kumina tenements comprise three granted exploration licences covering an area of approximately 480km$^2$ located approximately 100km south of Karratha and 50km north-east of BCI's Bungaroo South Deposit. The highly prospective tenements, which were acquired in September 2017, have had minimal previous exploration and have the potential to host significant iron ore deposits.

Iron ore deposits discovered at Kumina are intended to become part of BCI's Buckland Project, where the Company is aiming for a 15-20Mtpa operation for 15 years from Bungaroo South and Kumina for export through BCI's proposed Cape Preston East Port (refer to Figure 1).

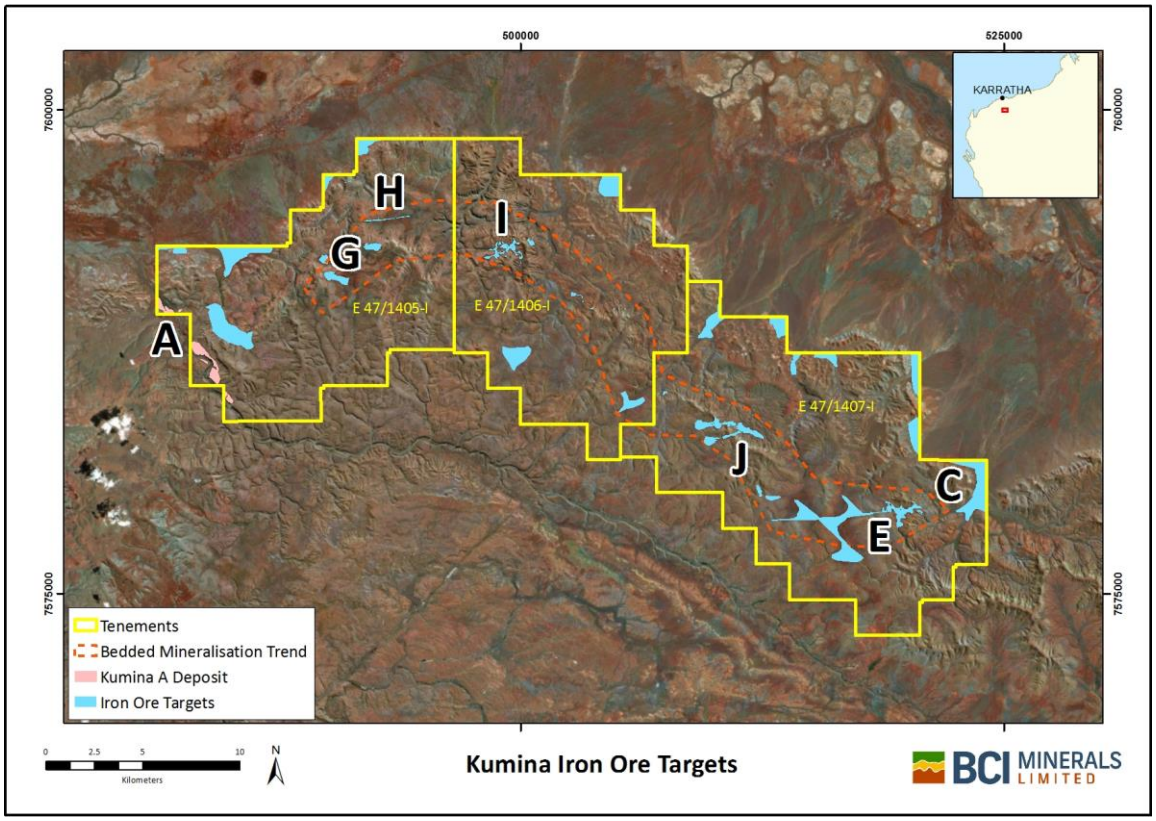
*Figure 1: Location of the Buckland Project*



The Kumina tenements host numerous channel iron deposit ("CID") targets and higher grade bedded iron deposit ("BID") targets with associated detrital iron deposit ("DID") mineralisation (refer to Figure 2).

An initial Stage 1 67-hole programme was completed in January 2018 at Kumina A, which is a CID on the western margin of the tenement package. Drilling returned positive results, including multiple intersections of >20m at >58% Fe and <0.10% P from shallow depth.[3] A major Stage 2 270-hole programme has recently been completed at BID / DID targets E and J, and CID target C.

*Figure 2: Kumina Iron Ore Target Areas*




Note: the target areas depicted in Figure 2 are for presentation purposes and are conceptual in nature.

## *Kumina J Drilling Results*

Kumina J comprises two east-west trending occurrences of mapped surface BID mineralisation, with preliminary interpretation indicating the mineralisation is associated with faulting and presents as synclines hosted in the Joffre Member of the Brockman Iron Formation. DID mineralisation is also present on the margins or overlying the BID.

Assay results for the first 90 holes at Kumina J (refer to Figures 3 and 4 below) are highly encouraging and indicate the existence of widespread high grade iron ore mineralisation. Significant intercepts (at a cut-off grade of 56% Fe) were recorded across the target area and included many results of >30m at >60% Fe from surface. BID mineralisation in several holes which are interpreted to be in close proximity to the faults is particularly thick, occurring over thicknesses of up to nearly 100m with significant intercepts separated by narrow zones of internal shale. DID mineralisation is again in some cases very high grade, with results of up to 65.9% Fe.

[3] Refer to BCI announcements "Initial Kumina Drilling Confirms Iron Ore Potential" dated 23-Jan-18 and "Further Positive Kumina Exploration Results" dated 19-Feb-18. BCI is not aware of any new information or data that materially affects the information included in these announcements.

Best intercepts from the assays received to date from Kumina J include:

- 46m at 61.9% Fe from surface (incl. 12m at 63.5% Fe from 4m) and 44m at 59.8% Fe from 50m in hole KRC0134;
- 42m at 62.2% Fe from 2m, 28m at 59.6% Fe from 50m and 14m at 58.7% Fe from 82m in hole KRC0136;
- 48m at 60.6% Fe from surface (incl. 20m at 62.5% Fe from 4m) and 14m at 58.3% Fe from 52m in hole KRC0181;
- 32m at 61.6% Fe from surface and 38m at 58.6% Fe from 40m in hole KRC0133;
- 42m at 60.9% Fe from surface and 18m at 57.7% Fe from 46m in hole KRC0135;
- 38m at 60.2% Fe from surface and 14m at 58.7% Fe from 46m in hole KRC0137;
- 28m at 62.2% Fe from surface in hole KRC0182;
- 16m at 63.4% Fe from surface (incl. 6m at 65.9% Fe from surface) in hole KRC0165;
- 14m at 63.0% Fe from surface (incl. 8m at 65.7% Fe from surface) in hole KRC0158; and
- 12m at 64.6% Fe from surface in hole KRC0164.

The drill hole locations at Kumina J are shown in Figures 3 and 4 and details of all holes and significant intercepts are shown in Appendix 1. Cross sections on drill lines A-B and C-D in Figure 3 and E-F in Figure 4 are shown in Figures 5 to 7 below.

*Figure 3: Location of Kumina J Deposit Drill Holes and Cross Sections (Part 1)*

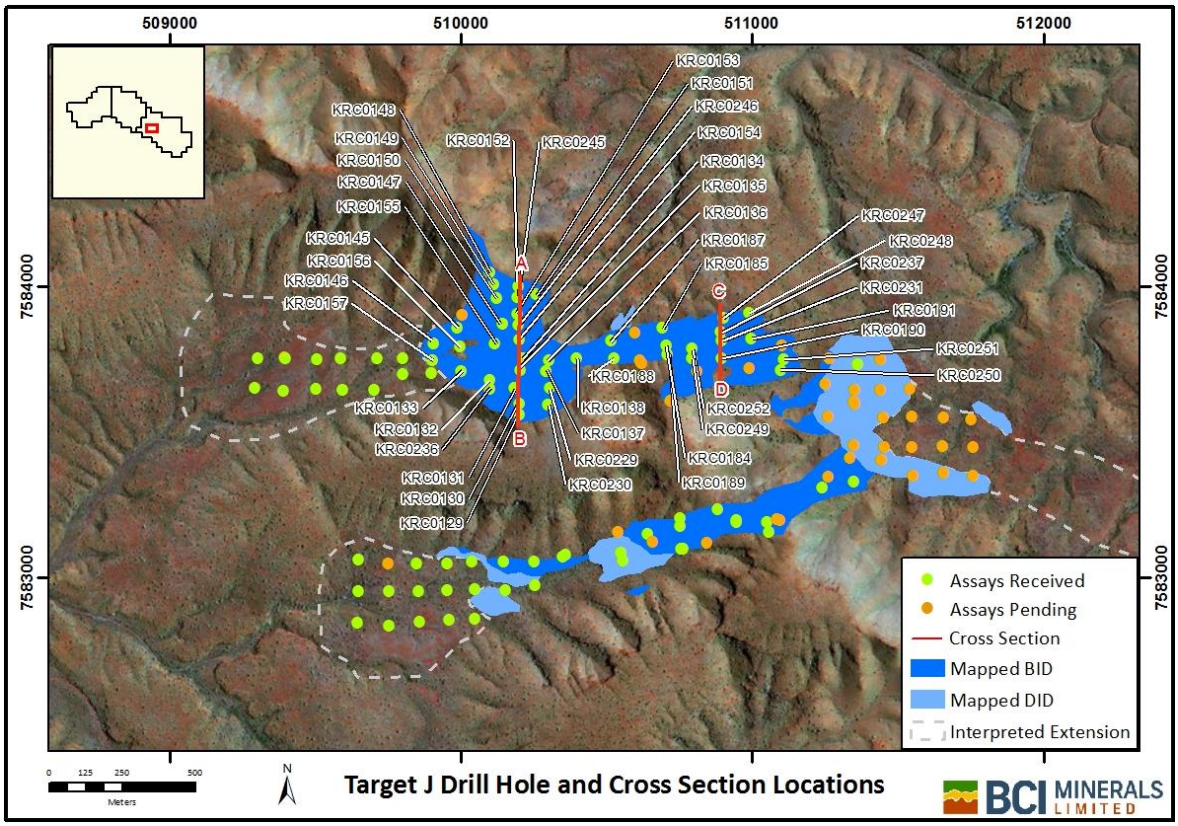


*Figure 4: Location of Kumina J Deposit Drill Holes and Cross Sections (Part 2)*

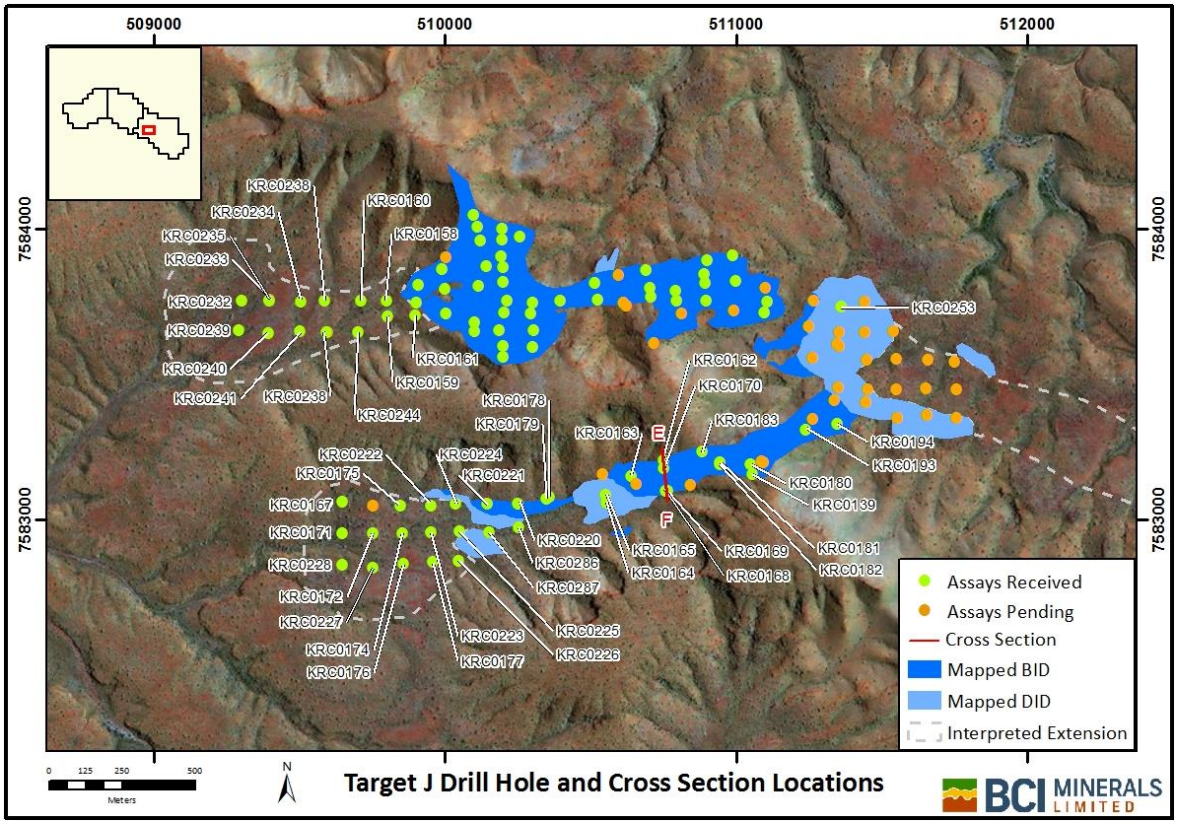



*Figure 5: Kumina J Cross Section – A-B*

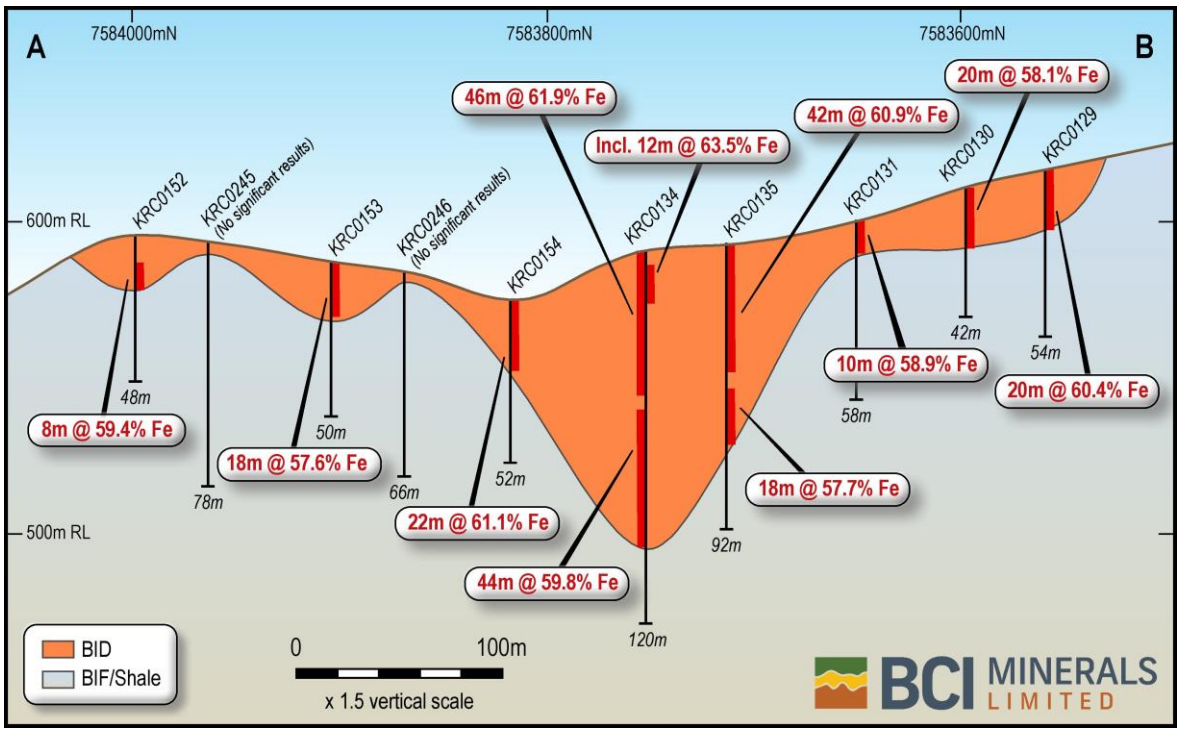


*Figure 6: Kumina J Cross Section – C-D*

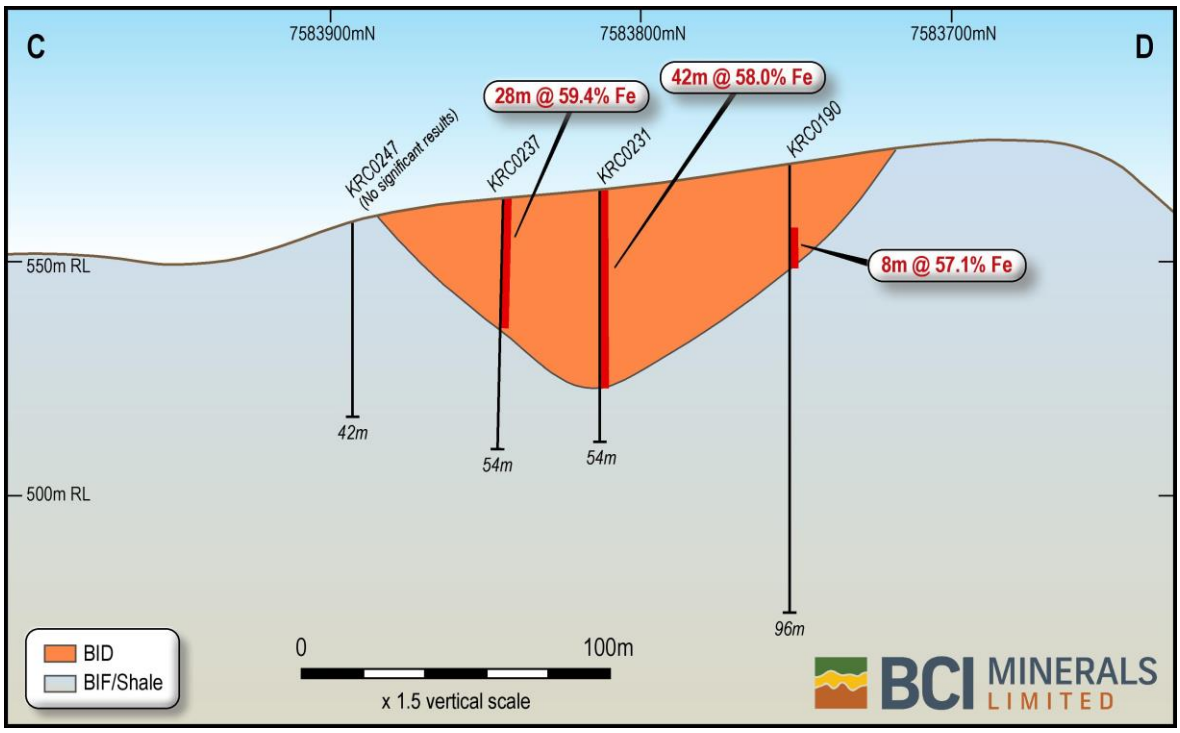
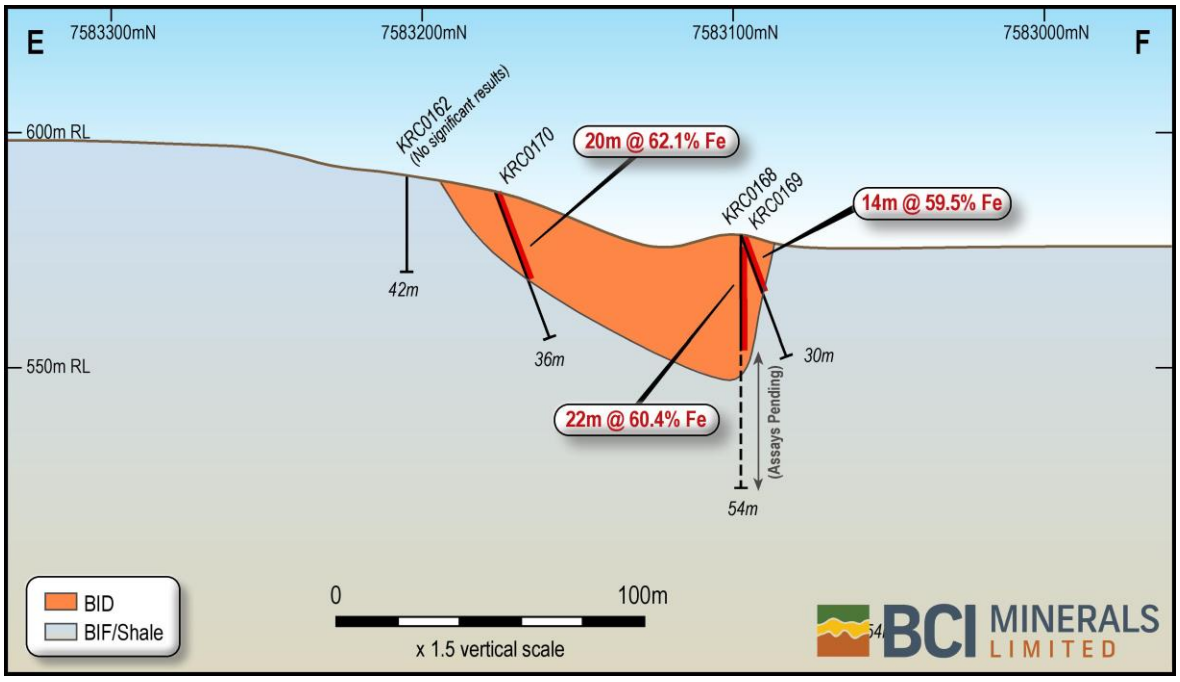



*Figure 7: Kumina J Cross Section – E-F*



### *Kumina E Drilling Results*

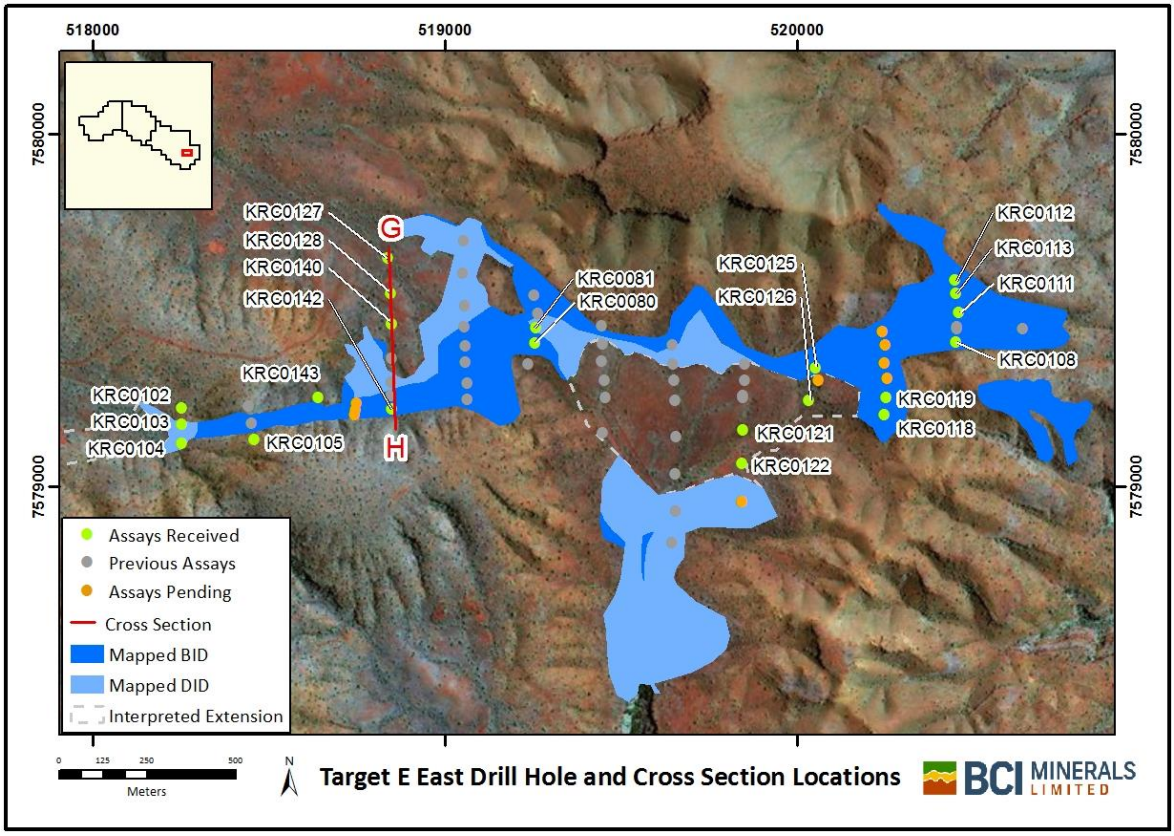
Kumina E comprises mapped surface BID and DID mineralisation hosted in the Joffre Member of the Brockman Iron Formation in two distinct areas at the eastern and western ends of the target zone. Results from the first 37 holes at the eastern area confirmed that significant high grade iron ore mineralisation is present.[4]

Results received from a further 21 holes in the eastern area support the initial results, with best intercepts of:

- 22m at 59.0% Fe from surface in hole KRC0080;
- 16m at 58.8% Fe from surface in hole KRC0142;
- 12m at 62.1% Fe from surface in hole KRC0141; and
- 10m at 62.1% Fe from 2m in hole KRC0140.

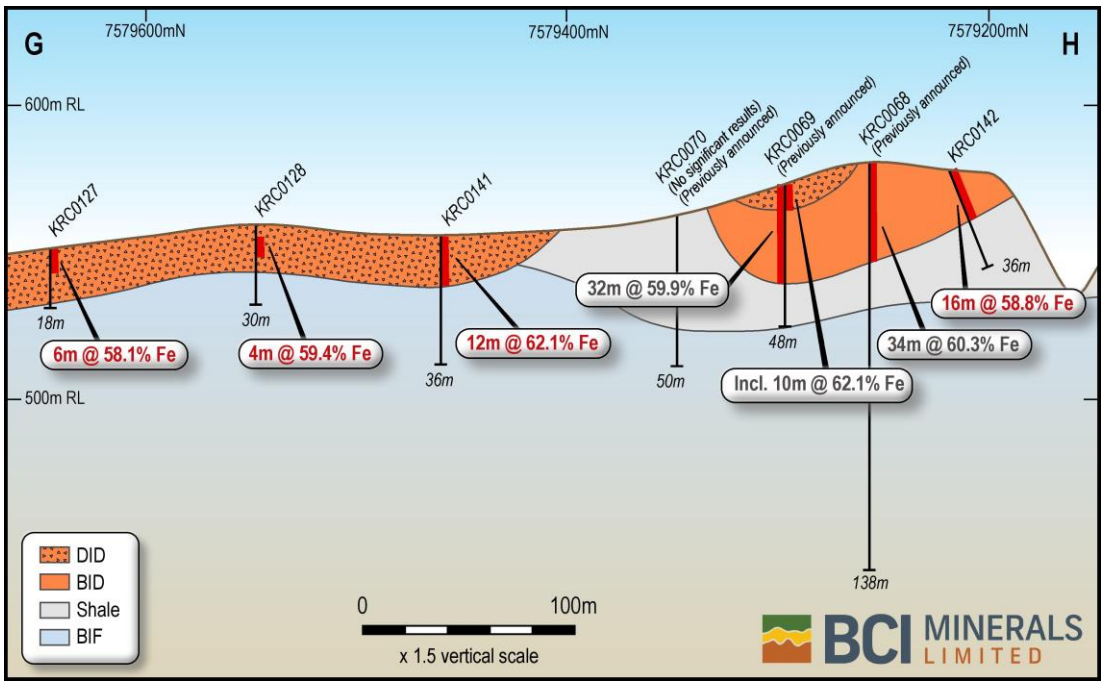
The drill hole locations at Kumina E East are shown in Figure 8 and details of all holes and significant intercepts are shown in Appendix 1. An update of the previously reported cross section on drill line G-H is shown in Figure 9 below.

*Figure 8: Location of Kumina E East Drill Holes and Cross Sections*



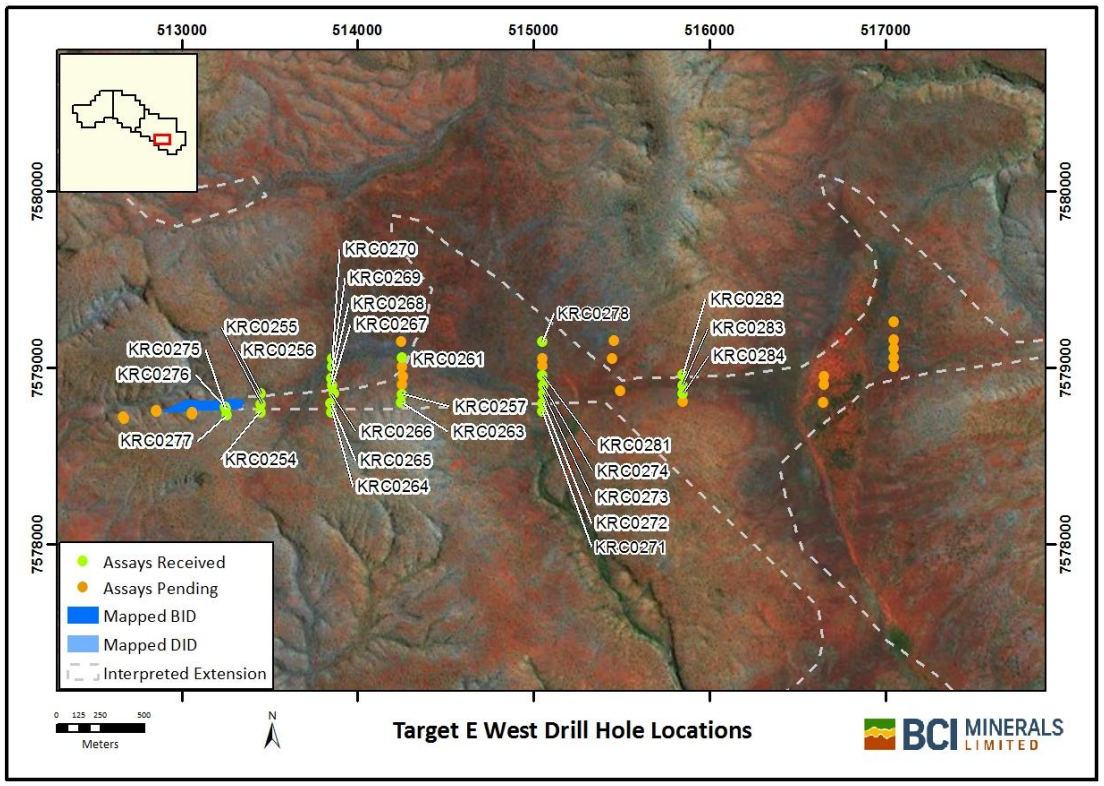

[4] Refer to BCI announcement "Kumina Drilling Delivers High Grade Results" dated 9-May-18. BCI is not aware of any new information or data that materially affects the information included in this announcement.

*Figure 9: Kumina E East Cross Section – G-H*




At the western area of Kumina E, assays received from the first 25 holes have confirmed the presence of iron ore mineralisation associated with a relatively small area of surface mapped BID. Best results include 30m at 62.0% Fe from 2m in hole KRC0275 and 30m at 59.7% Fe from surface in hole KRC0276. Drilling to date has not intersected any significant iron ore mineralisation that was interpreted to potentially extend undercover between the eastern and western areas. The drill hole locations at Kumina E West are shown in Figure 10 and details of all holes and significant intercepts are shown in Appendix 1.

*Figure 10: Location of Kumina E West Drill Holes*



### *Next Steps*

Assaying of drill holes completed in the Stage 2 programme is ongoing, and interpretation and modelling has commenced as part of a maiden Mineral Resource estimate for Kumina A, E and J which is expected to be completed in June.

Planning is also underway for a Stage 3 drilling programme at Kumina, which is expected to commence in the September 2018 quarter. This campaign is expected to test a number of previously identified targets (e.g. Target I) and other areas identified from ongoing target generation work.

-END-

**For further information:**

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| | | |
|---|---|---|
| Alwyn Vorster | Simon Hodge | Brad Milne |
| Managing Director | Chief Financial Officer | Investor Relations Manager |

## ABOUT BCI MINERALS

BCI Minerals Limited (ASX:BCI) ("BCI") is an Australian-based resources company that is developing an iron ore and industrial minerals business.

Iron Valley is an operating iron ore mine located in the Central Pilbara region of Western Australia, which is operated by Mineral Resources Limited (ASX:MIN). Iron Valley is generating quarterly royalty earnings for BCI.

BCI is currently focused on advancing two 100% owned projects, Buckland Iron Ore and Mardie Salt, which are both proposed to export product through BCI's planned 20Mtpa Cape Preston East Port facility.

Buckland is an iron ore development project located in the West Pilbara region of Western Australia, comprising potential mines at Bungaroo South and Kumina. BCI is currently conducting a large exploration programme targeting higher grade ore from the Kumina tenements, and is progressing an Integration Study on a 15Mtpa operation. Development is proposed to occur within a future joint venture structure.

Mardie is a salt and sulphate of potash ("SOP") project located on the West Pilbara coast in the centre of Australia's key salt production region. BCI is completing a Pre-Feasibility Study on a solar evaporation operation producing 3.5Mtpa salt and 50ktpa SOP.

In addition to these focus projects, BCI is a joint venture partner of Kalium Lakes Limited (ASX:KLL) in the Carnegie Potash Project, which is currently at a Scoping Study stage.

BCI is progressing gold and base metals exploration on its 100% owned Marble Bar, Black Hills and Peak Hill tenements and graphite exploration on its 100% owned Munglinup tenements in Western Australia.

The Company's portfolio also includes potential iron ore royalties over the Nullagine, Koodaideri South and Extension tenements.

## KEY STATISTICS

| | | |
|---|---|---|
| **Shares on issue:** | 395.0 million | |
| **Cash and cash equivalents:** | $17.5 million | as at 31 March 2018 |
| **Board:** | Brian O'Donnell | Non-Executive Chairman |
| | Alwyn Vorster | Managing Director |
| | Michael Blakiston | Non-Executive Director |
| | Jenny Bloom | Non-Executive Director |
| | Martin Bryant | Non-Executive Director |
| | Andy Haslam | Non-Executive Director |
| **Major shareholders:** | Wroxby Pty Ltd | 27.7% |
| **Website:** | www.bciminerals.com.au | |

# APPENDIX 1

*Table 1: Kumina J - Drill Hole Details and Significant Intercepts (56% Fe Cut-off)*

| Hole Details | | | | | | | Significant Intercepts | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Hole ID | Northing | Easting | RL (m) | Depth (m) | Dip (°) | Azi (°) | Thickness (m) | From (m) | To (m) | Fe (%) | $SiO_2$ (%) | $Al_2O_3$ (%) | P (%) |
| KRC0129 | 7583559 | 510199 | 617 | 54 | -90 | 0 | 20 | 0 | 20 | 60.4 | 6.1 | 0.8 | 0.09 |
| KRC0130 | 7583598 | 510198 | 611 | 42 | -90 | 0 | 20 | 0 | 20 | 58.1 | 9.0 | 1.2 | 0.09 |
| KRC0131 | 7583650 | 510183 | 600 | 58 | -90 | 0 | 10 | 0 | 10 | 58.9 | 7.8 | 1.2 | 0.08 |
| KRC0132 | 7583679 | 510099 | 583 | 60 | -90 | 0 | 24 | 0 | 24 | 58.4 | 7.6 | 2.5 | 0.10 |
| KRC0133 | 7583709 | 510001 | 568 | 102 | -90 | 0 | 32 | 0 | 32 | 61.6 | 2.4 | 1.9 | 0.17 |
| | | | | | | | 38 | 40 | 78 | 58.6 | 4.2 | 3.4 | 0.21 |
| KRC0134 | 7583752 | 510212 | 591 | 120 | -90 | 0 | 46 | 0 | 46 | 61.9 | 1.4 | 1.7 | 0.16 |
| | | | | | | *Incl.* | *12* | *4* | *16* | *63.5* | *1.3* | *0.9* | *0.12* |
| | | | | | | | 44 | 50 | 94 | 59.8 | 2.8 | 3.1 | 0.20 |
| KRC0135 | 7583713 | 510202 | 593 | 92 | -90 | 0 | 42 | 0 | 42 | 60.9 | 3.9 | 2.2 | 0.14 |
| | | | | | | | 18 | 46 | 64 | 57.7 | 4.6 | 3.7 | 0.21 |
| KRC0136 | 7583748 | 510300 | 589 | 103 | -90 | 0 | 42 | 2 | 44 | 62.2 | 1.7 | 1.6 | 0.15 |
| | | | | | | | 28 | 50 | 78 | 59.6 | 3.0 | 3.5 | 0.19 |
| | | | | | | | 14 | 82 | 96 | 58.7 | 3.9 | 3.1 | 0.22 |
| KRC0137 | 7583709 | 510292 | 596 | 114 | -90 | 0 | 38 | 0 | 38 | 60.2 | 4.0 | 2.3 | 0.13 |
| | | | | | | | 14 | 46 | 60 | 58.7 | 3.1 | 3.6 | 0.22 |
| KRC0138 | 7583754 | 510395 | 577 | 91 | -90 | 0 | 22 | 8 | 30 | 59.8 | 3.2 | 2.6 | 0.14 |
| | | | | | | | 42 | 34 | 76 | 58.6 | 3.8 | 3.4 | 0.26 |
| KRC0139 | 7583157 | 511055 | 627 | 54 | -90 | 0 | 18 | 6 | 24 | 60.1 | 4.8 | 1.4 | 0.09 |
| KRC0145 | 7583860 | 509988 | 568 | 36 | -90 | 0 | 8 | 0 | 8 | 59.0 | 7.0 | 1.6 | 0.07 |
| | | | | | | | 4 | 12 | 16 | 56.6 | 8.0 | 2.0 | 0.06 |
| KRC0146 | 7583806 | 509906 | 554 | 42 | -90 | 0 | 4 | 6 | 10 | 56.6 | 5.1 | 2.6 | 0.04 |
| KRC0147 | 7583871 | 510141 | 580 | 36 | -90 | 0 | 12 | 8 | 20 | 57.9 | 6.4 | 2.1 | 0.07 |
| KRC0148 | 7584048 | 510098 | 610 | 36 | -90 | 0 | No significant intercepts | | | | | | |
| KRC0149 | 7584006 | 510112 | 603 | 90 | -87 | 9 | 6 | 0 | 6 | 58.8 | 6.7 | 1.6 | 0.05 |
| KRC0150 | 7583958 | 510120 | 594 | 66 | -90 | 0 | 36 | 0 | 36 | 59.3 | 5.1 | 1.7 | 0.11 |
| | | | | | | *Incl.* | *10* | *24* | *34* | *61.1* | *2.3* | *1.9* | *0.16* |

| Hole Details | | | | | | | Significant Intercepts | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Hole ID | Northing | Easting | RL (m) | Depth (m) | Dip (°) | Azi (°) | Thickness (m) | From (m) | To (m) | Fe (%) | $SiO_2$ (%) | $Al_2O_3$ (%) | P (%) |
| KRC0151 | 7583974 | 510257 | 584 | 54 | -89 | 259 | 12 | 22 | 34 | 57.9 | 4.9 | 2.9 | 0.13 |
| KRC0152 | 7583999 | 510197 | 596 | 48 | -90 | 0 | 8 | 10 | 18 | 59.4 | 4.8 | 2.1 | 0.05 |
| KRC0153 | 7583904 | 510191 | 587 | 50 | -90 | 0 | 18 | 0 | 18 | 57.6 | 6.1 | 2.2 | 0.07 |
| KRC0154 | 7583818 | 510199 | 574 | 52 | -90 | 0 | 22 | 0 | 22 | 61.1 | 2.3 | 2.0 | 0.09 |
| KRC0155 | 7583804 | 510115 | 555 | 60 | -90 | 0 | No significant intercepts | | | | | | |
| KRC0156 | 7583793 | 509998 | 546 | 30 | -90 | 0 | No significant intercepts | | | | | | |
| KRC0157 | 7583747 | 509901 | 542 | 36 | -90 | 0 | 14 | 2 | 16 | 58.2 | 3.4 | 3.3 | 0.09 |
| KRC0158 | 7583752 | 509799 | 542 | 54 | -90 | 0 | 14 | 0 | 14 | 63.0 | 4.7 | 2.3 | 0.07 |
| | | | | | | *Incl.* | *8* | *0* | *8* | *65.7* | *2.1* | *1.5* | *0.08* |
| KRC0159 | 7583698 | 509801 | 540 | 60 | -90 | 0 | 16 | 0 | 16 | 62.6 | 4.9 | 2.9 | 0.06 |
| | | | | | | *Incl.* | *10* | *2* | *12* | *64.1* | *3.5* | *2.4* | *0.07* |
| | | | | | | | 6 | 24 | 30 | 56.9 | 6.5 | 3.5 | 0.13 |
| KRC0160 | 7583754 | 509712 | 538 | 42 | -90 | 0 | 10 | 0 | 10 | 63.1 | 5.4 | 2.2 | 0.06 |
| KRC0161 | 7583702 | 509897 | 553 | 72 | -90 | 0 | 28 | 0 | 28 | 60.8 | 2.0 | 2.8 | 0.13 |
| | | | | | | | 32 | 32 | 64 | 60.5 | 2.5 | 2.6 | 0.17 |
| KRC0162 | 7583205 | 510750 | 591 | 42 | -88 | 48 | No significant intercepts | | | | | | |
| KRC0163 | 7583150 | 510640 | 570 | 42 | -90 | 0 | No significant intercepts | | | | | | |
| KRC0164 | 7583057 | 510556 | 556 | 36 | -90 | 0 | 12 | 0 | 12 | 64.6 | 2.3 | 1.3 | 0.08 |
| KRC0165 | 7583085 | 510549 | 555 | 42 | -89 | 75 | 16 | 0 | 16 | 63.4 | 1.9 | 1.8 | 0.13 |
| | | | | | | *Incl.* | *6* | *0* | *6* | *65.9* | *2.4* | *0.8* | *0.09* |
| KRC0168 | 7583098 | 510756 | 578 | 54 | -90 | 0 | 22 | 2 | 24 | 60.4 | 3.1 | 2.3 | 0.10 |
| KRC0169 | 7583097 | 510764 | 578 | 30 | -60 | 180 | 14 | 0 | 14 | 59.5 | 2.5 | 2.4 | 0.12 |
| KRC0170 | 7583177 | 510751 | 587 | 36 | -60 | 180 | 20 | 2 | 22 | 62.1 | 2.4 | 1.9 | 0.15 |
| KRC0171 | 7582954 | 509646 | 530 | 36 | -90 | 0 | No significant intercepts | | | | | | |
| KRC0172 | 7582953 | 509751 | 532 | 36 | -90 | 0 | No significant intercepts | | | | | | |
| KRC0174 | 7582953 | 509854 | 532 | 30 | -89 | 112 | No significant intercepts | | | | | | |
| KRC0175 | 7583049 | 509846 | 536 | 36 | -90 | 0 | No significant intercepts | | | | | | |
| KRC0176 | 7582848 | 509857 | 535 | 36 | -90 | 0 | No significant intercepts | | | | | | |
| KRC0177 | 7582854 | 509958 | 537 | 30 | -90 | 0 | No significant intercepts | | | | | | |

| Hole Details | | | | | | | Significant Intercepts | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Hole ID | Northing | Easting | RL (m) | Depth (m) | Dip (°) | Azi (°) | Thickness (m) | From (m) | To (m) | Fe (%) | $SiO_2$ (%) | $Al_2O_3$ (%) | P (%) |
| KRC0178 | 7583078 | 510359 | 562 | 36 | -90 | 0 | No significant intercepts | | | | | | |
| KRC0179 | 7583072 | 510348 | 561 | 54 | -60 | 180 | 12 | 0 | 12 | 58.9 | 3.3 | 2.6 | 0.11 |
| KRC0180 | 7583191 | 511050 | 622 | 90 | -90 | 0 | 34 | 0 | 34 | 60.4 | 5.3 | 1.3 | 0.08 |
| KRC0181 | 7583197 | 510945 | 610 | 86 | -90 | 0 | 48 | 0 | 48 | 60.6 | 2.1 | 2.7 | 0.18 |
| | | | | | | *Incl.* | *20* | *4* | *24* | *62.5* | *1.2* | *1.7* | *0.18* |
| | | | | | | | 14 | 52 | 66 | 58.3 | 4.6 | 3.4 | 0.22 |
| KRC0182 | 7583191 | 510943 | 610 | 48 | -90 | 0 | 28 | 0 | 28 | 62.2 | 2.8 | 1.7 | 0.13 |
| KRC0183 | 7583234 | 510882 | 602 | 54 | -90 | 0 | 24 | 0 | 24 | 59.6 | 4.2 | 2.4 | 0.19 |
| KRC0184 | 7583796 | 510704 | 572 | 72 | -90 | 0 | 18 | 0 | 18 | 59.1 | 4.4 | 2.8 | 0.11 |
| | | | | | | | 30 | 26 | 56 | 59.7 | 3.4 | 2.9 | 0.25 |
| KRC0185 | 7583857 | 510691 | 547 | 36 | -90 | 0 | No significant intercepts | | | | | | |
| KRC0187 | 7583814 | 510514 | 543 | 36 | -90 | 0 | No significant intercepts | | | | | | |
| KRC0188 | 7583755 | 510524 | 545 | 48 | -90 | 0 | 18 | 0 | 18 | 59.3 | 3.0 | 2.5 | 0.24 |
| KRC0189 | 7583766 | 510707 | 566 | 68 | -90 | 0 | 22 | 10 | 32 | 58.4 | 4.4 | 3.4 | 0.28 |
| KRC0190 | 7583752 | 510895 | 571 | 96 | -90 | 0 | 8 | 14 | 22 | 57.1 | 7.6 | 4.1 | 0.13 |
| KRC0191 | 7583820 | 510997 | 546 | 36 | -90 | 0 | 4 | 12 | 16 | 57.0 | 5.8 | 3.3 | 0.11 |
| KRC0193 | 7583310 | 511239 | 571 | 66 | -90 | 0 | No significant intercepts | | | | | | |
| KRC0194 | 7583328 | 511347 | 550 | 48 | -90 | 0 | No significant intercepts | | | | | | |
| KRC0220 | 7583054 | 510249 | 556 | 60 | -90 | 0 | 24 | 0 | 24 | 58.3 | 3.4 | 2.9 | 0.11 |
| KRC0221 | 7583055 | 510144 | 550 | 30 | -90 | 0 | 4 | 4 | 8 | 57.2 | 5.1 | 3.2 | 0.10 |
| KRC0222 | 7583050 | 509951 | 537 | 45 | -90 | 0 | 10 | 0 | 10 | 59.7 | 9.5 | 2.4 | 0.06 |
| KRC0223 | 7582956 | 509951 | 533 | 30 | -89 | 240 | 4 | 2 | 6 | 59.3 | 8.5 | 4.1 | 0.05 |
| KRC0224 | 7583055 | 510037 | 541 | 36 | -90 | 0 | 14 | 0 | 14 | 61.2 | 3.8 | 2.6 | 0.09 |
| | | | | | | *Incl.* | *8* | *0* | *8* | *63.6* | *3.5* | *2.2* | *0.08* |
| KRC0225 | 7582961 | 510049 | 535 | 30 | -90 | 0 | 6 | 0 | 6 | 60.6 | 7.1 | 3.3 | 0.06 |
| KRC0226 | 7582857 | 510046 | 538 | 24 | -90 | 0 | No significant intercepts | | | | | | |
| KRC0227 | 7582834 | 509751 | 530 | 30 | -90 | 96 | No significant intercepts | | | | | | |
| KRC0228 | 7582846 | 509645 | 530 | 24 | -90 | 0 | No significant intercepts | | | | | | |
| KRC0229 | 7583650 | 510305 | 607 | 48 | -90 | 0 | 16 | 0 | 16 | 58.1 | 7.1 | 1.8 | 0.08 |

| Hole Details | | | | | | | Significant Intercepts | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Hole ID | Northing | Easting | RL (m) | Depth (m) | Dip (°) | Azi (°) | Thickness (m) | From (m) | To (m) | Fe (%) | $SiO_2$ (%) | $Al_2O_3$ (%) | P (%) |
| KRC0230 | 7583594 | 510299 | 618 | 54 | -90 | 0 | 16 | 0 | 16 | 59.8 | 8.1 | 1.0 | 0.08 |
| KRC0231 | 7583813 | 510894 | 565 | 54 | -90 | 0 | 42 | 0 | 42 | 58.0 | 4.2 | 3.4 | 0.16 |
| KRC0232 | 7583752 | 509301 | 535 | 44 | -90 | 0 | No significant intercepts | | | | | | |
| KRC0234 | 7583750 | 509503 | 539 | 72 | -90 | 0 | 8 | 0 | 8 | 60.2 | 6.0 | 5.2 | 0.04 |
| KRC0235 | 7583754 | 509395 | 536 | 28 | -90 | 0 | No significant intercepts | | | | | | |
| KRC0236 | 7583647 | 510099 | 590 | 54 | -90 | 0 | 8 | 0 | 8 | 59.8 | 5.9 | 1.3 | 0.10 |
| | | | | | | | 4 | 12 | 16 | 58.4 | 9.9 | 1.3 | 0.09 |
| KRC0237 | 7583845 | 510891 | 563 | 54 | -90 | 192 | 28 | 0 | 28 | 59.4 | 4.2 | 2.4 | 0.12 |
| KRC0238 | 7583752 | 509586 | 540 | 48 | -90 | 0 | 12 | 0 | 12 | 59.8 | 7.7 | 4.0 | 0.05 |
| KRC0239 | 7583650 | 509291 | 531 | 30 | -90 | 0 | No significant intercepts | | | | | | |
| KRC0240 | 7583641 | 509391 | 534 | 36 | -90 | 0 | 4 | 0 | 4 | 56.6 | 9.0 | 6.8 | 0.04 |
| KRC0241 | 7583648 | 509501 | 535 | 42 | -89 | 254 | 6 | 0 | 6 | 60.9 | 5.3 | 5.0 | 0.04 |
| KRC0243 | 7583645 | 509592 | 535 | 30 | -90 | 0 | 8 | 0 | 8 | 61.5 | 5.2 | 4.2 | 0.05 |
| KRC0244 | 7583643 | 509701 | 540 | 36 | -90 | 0 | No significant intercepts | | | | | | |
| KRC0245 | 7583964 | 510194 | 594 | 78 | -90 | 0 | No significant intercepts | | | | | | |
| KRC0246 | 7583869 | 510197 | 584 | 66 | -90 | 0 | No significant intercepts | | | | | | |
| KRC0247 | 7583893 | 510901 | 559 | 42 | -90 | 0 | No significant intercepts | | | | | | |
| KRC0248 | 7583909 | 510990 | 548 | 42 | -90 | 0 | No significant intercepts | | | | | | |
| KRC0249 | 7583752 | 510794 | 578 | 72 | -90 | 0 | No significant intercepts | | | | | | |
| KRC0250 | 7583713 | 511096 | 544 | 66 | -90 | 0 | 14 | 2 | 16 | 59.6 | 3.8 | 2.5 | 0.11 |
| KRC0251 | 7583751 | 511107 | 543 | 54 | -90 | 0 | 20 | 0 | 20 | 59.3 | 3.0 | 2.7 | 0.11 |
| KRC0252 | 7583787 | 510793 | 574 | 72 | -90 | 0 | 6 | 0 | 6 | 58.4 | 3.3 | 3.0 | 0.13 |
| | | | | | | | 14 | 24 | 38 | 56.4 | 7.1 | 4.4 | 0.18 |
| | | | | | | | 10 | 44 | 54 | 58.3 | 3.7 | 2.3 | 0.36 |
| KRC0253 | 7583732 | 511360 | 519 | 30 | -90 | 0 | 4 | 0 | 4 | 62.1 | 3.2 | 4.7 | 0.05 |
| KRC0286 | 7582973 | 510254 | 539 | 42 | -90 | 0 | No significant intercepts | | | | | | |
| KRC0287 | 7582958 | 510151 | 537 | 36 | -90 | 0 | No significant intercepts | | | | | | |

*Table 2: Kumina E East - Drill Hole Details and Significant Intercepts (56% Fe Cut-off)*

| Hole Details | | | | | | | Significant Intercepts | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Hole ID | Northing | Easting | RL (m) | Depth (m) | Dip (°) | Azi (°) | Thickness (m) | From (m) | To (m) | Fe (%) | $SiO_2$ (%) | $Al_2O_3$ (%) | P (%) |
| KRC0080 | 7579407 | 519254 | 560 | 60 | -90 | 0 | 22 | 0 | 22 | 59.0 | 3.4 | 3.7 | 0.11 |
| KRC0102 | 7579221 | 518253 | 571 | 36 | -90 | 0 | No significant intercepts | | | | | | |
| KRC0103 | 7579175 | 518251 | 564 | 30 | -90 | 0 | No significant intercepts | | | | | | |
| KRC0104 | 7579121 | 518251 | 568 | 30 | -90 | 0 | No significant intercepts | | | | | | |
| KRC0105 | 7579133 | 518457 | 594 | 62 | -90 | 0 | No significant intercepts | | | | | | |
| KRC0108 | 7579409 | 520451 | 586 | 60 | -90 | 0 | 14 | 0 | 14 | 57.7 | 3.8 | 4.4 | 0.13 |
| KRC0111 | 7579493 | 520459 | 588 | 54 | -90 | 0 | 8 | 0 | 8 | 57.1 | 2.2 | 4.0 | 0.08 |
| KRC0112 | 7579585 | 520449 | 591 | 30 | -90 | 0 | No significant intercepts | | | | | | |
| KRC0113 | 7579547 | 520450 | 591 | 42 | -90 | 0 | 6 | 0 | 6 | 58.1 | 6.0 | 2.8 | 0.08 |
| KRC0118 | 7579202 | 520246 | 574 | 50 | -90 | 0 | 4 | 0 | 4 | 58.7 | 5.2 | 2.5 | 0.06 |
| KRC0119 | 7579251 | 520254 | 571 | 42 | -89 | 222 | 8 | 2 | 10 | 58.1 | 6.5 | 2.5 | 0.07 |
| KRC0121 | 7579158 | 519846 | 544 | 18 | -90 | 0 | 10 | 0 | 10 | 60.2 | 4.8 | 6.1 | 0.04 |
| KRC0122 | 7579064 | 519844 | 544 | 30 | -90 | 0 | No significant intercepts | | | | | | |
| KRC0125 | 7579337 | 520052 | 558 | 30 | -90 | 0 | 12 | 0 | 12 | 56.3 | 6.3 | 2.8 | 0.11 |
| KRC0126 | 7579244 | 520034 | 549 | 24 | -90 | 0 | 6 | 6 | 12 | 57.9 | 4.1 | 2.9 | 0.10 |
| KRC0127 | 7579647 | 518837 | 547 | 18 | -90 | 0 | 6 | 0 | 6 | 58.1 | 7.5 | 6.1 | 0.04 |
| KRC0128 | 7579548 | 518846 | 551 | 30 | -90 | 0 | 4 | 4 | 8 | 59.4 | 7.6 | 4.8 | 0.04 |
| KRC0140 | 7579460 | 518848 | 553 | 17 | -90 | 0 | 10 | 2 | 12 | 62.1 | 5.3 | 3.1 | 0.05 |
| KRC0141 | 7579460 | 518849 | 553 | 36 | -90 | 0 | 12 | 0 | 12 | 62.1 | 5.5 | 3.1 | 0.05 |
| KRC0142 | 7579220 | 518849 | 578 | 36 | -90 | 0 | 16 | 0 | 16 | 58.8 | 5.9 | 1.9 | 0.06 |
| KRC0143 | 7579252 | 518638 | 563 | 34 | -62 | 177 | 4 | 4 | 8 | 57.7 | 6.9 | 1.6 | 0.06 |

*Table 3: Kumina E West - Drill Hole Details and Significant Intercepts (56% Fe Cut-off)*

| Hole Details | | | | | | | Significant Intercepts | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Hole ID | Northing | Easting | RL (m) | Depth (m) | Dip (°) | Azi (°) | Thickness (m) | From (m) | To (m) | Fe (%) | $SiO_2$ (%) | $Al_2O_3$ (%) | P (%) |
| KRC0254 | 7578746 | 513447 | 564 | 42 | -90 | 0 | 10 | 2 | 12 | 60.2 | 3.2 | 1.8 | 0.08 |
| KRC0255 | 7578791 | 513450 | 562 | 78 | -90 | 0 | 12 | 0 | 12 | 59.4 | 1.8 | 1.8 | 0.11 |
| KRC0256 | 7578850 | 513449 | 560 | 36 | -90 | 0 | 8 | 0 | 8 | 57.4 | 2.9 | 2.4 | 0.11 |
| KRC0257 | 7578847 | 514249 | 555 | 66 | -90 | 0 | No significant intercepts | | | | | | |
| KRC0261 | 7579051 | 514251 | 549 | 30 | -89 | 184 | No significant intercepts | | | | | | |
| KRC0263 | 7578801 | 514248 | 559 | 34 | -90 | 0 | No significant intercepts | | | | | | |
| KRC0264 | 7578746 | 513851 | 558 | 36 | -90 | 0 | No significant intercepts | | | | | | |
| KRC0265 | 7578796 | 513847 | 556 | 36 | -90 | 165 | No significant intercepts | | | | | | |
| KRC0266 | 7578851 | 513866 | 555 | 36 | -90 | 0 | No significant intercepts | | | | | | |
| KRC0267 | 7578898 | 513854 | 554 | 30 | -90 | 0 | No significant intercepts | | | | | | |
| KRC0268 | 7578939 | 513851 | 553 | 36 | -90 | 0 | No significant intercepts | | | | | | |
| KRC0269 | 7579002 | 513854 | 552 | 30 | -90 | 0 | No significant intercepts | | | | | | |
| KRC0270 | 7579048 | 513855 | 552 | 30 | -90 | 0 | No significant intercepts | | | | | | |
| KRC0271 | 7578749 | 515048 | 545 | 30 | -90 | 0 | No significant intercepts | | | | | | |
| KRC0272 | 7578797 | 515050 | 545 | 36 | -90 | 0 | No significant intercepts | | | | | | |
| KRC0273 | 7578850 | 515053 | 545 | 36 | -90 | 0 | No significant intercepts | | | | | | |
| KRC0274 | 7578894 | 515053 | 546 | 60 | -90 | 0 | No significant intercepts | | | | | | |
| KRC0275 | 7578773 | 513247 | 574 | 60 | -61 | 357 | 30 | 2 | 32 | 62.0 | 1.3 | 1.1 | 0.15 |
| KRC0276 | 7578763 | 513251 | 575 | 42 | -61 | 176 | 30 | 0 | 30 | 59.7 | 3.5 | 1.1 | 0.20 |
| KRC0277 | 7578727 | 513253 | 578 | 48 | -89 | 224 | No significant intercepts | | | | | | |
| KRC0278 | 7579147 | 515048 | 545 | 24 | -90 | 0 | No significant intercepts | | | | | | |
| KRC0281 | 7578952 | 515050 | 545 | 30 | -90 | 0 | No significant intercepts | | | | | | |
| KRC0282 | 7578955 | 515848 | 550 | 48 | -90 | 0 | No significant intercepts | | | | | | |
| KRC0283 | 7578899 | 515847 | 549 | 30 | -90 | 0 | No significant intercepts | | | | | | |
| KRC0284 | 7578852 | 515849 | 549 | 30 | -90 | 0 | No significant intercepts | | | | | | |

## APPENDIX 2: COMPETENT PERSONS STATEMENT

The information in this report that relates to Exploration Results is based on, and fairly represents, information which has been compiled by Mr Ian Shackleton, who is a Member of the Australasian Institute of Geoscientists and a full-time employee of BCI Minerals Limited. Mr Shackleton has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity that is being undertaken to qualify as a Competent Person as defined in the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr Shackleton consents to the inclusion in this report of the matters based on his information in the form and context in which they appear.

# APPENDIX 3: JORC CODE, 2012 EDITION – TABLE 1 REPORT

## *Section 1 – Sampling Techniques and Data*

(Criteria In this section apply to all following sections.)

| Criteria | JORC Code Explanation | Commentary |
|---|---|---|
| *Sampling Techniques* | • *Nature and quality of sampling (eg cut channels, random chips, or specific specialised industry standard measurement tools appropriate to the minerals under investigation, such as down hole gamma sondes, or handheld XRF instruments, etc). These examples should not be taken as limiting the broad meaning of sampling.*<br>• *Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.*<br>• *Aspects of the determination of mineralisation that are Material to the Public Report.*<br>• *In cases where 'industry standard' work has been done this would be relatively simple (eg 'reverse circulation drilling was used to obtain 1 m samples from which 3 kg was pulverised to produce a 30 g charge for fire assay'). In other cases more explanation may be required, such as where there is coarse gold that has inherent sampling problems. Unusual commodities or mineralisation types (eg submarine nodules) may warrant disclosure of detailed information.* | • Reverse Circulation ("RC") drilling chips collected via cone splitter by Core Drilling Services and Strike Drilling.<br>• One 4kg (average) sample taken for each 2m sample length and collected in pre-numbered calico bags.<br>• Quality of sampling continuously monitored by field geologist during drilling.<br>• A sample mass of 4kg (average) was sent to the laboratory where it was dried, crushed and pulverised (total preparation) to produce a sub sample for analysis by X-ray fluorescence spectroscopy ("XRF") and total Loss on Ignition ("LOI") by Thermo-Gravimetric Analysis ("TGA").<br>• To monitor the representivity of the samples collected, 1 duplicate was taken for every 50 samples (1:50).<br>• Sampling carried out under BCI protocols and QAQC procedures as per industry best practices. |
| *Drilling Techniques* | • *Drill type (eg core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc) and details (eg core diameter, triple or standard tube, depth of diamond tails, face-sampling bit or other type, whether core is oriented and if so, by what method, etc).* | • RC drilling employing a face sampling hammer, with the majority of the holes either drilled vertically (-90 degrees) or occasionally, where required, angled (notionally -60 degrees either to the south or north) to effectively test the outcropping mineralisation. |

| Criteria | JORC Code Explanation | Commentary |
|---|---|---|
| *Drill Sample recovery* | • *Method of recording and assessing core and chip sample recoveries and results assessed.*<br>• *Measures taken to maximise sample recovery and ensure representative nature of the samples.*<br>• *Whether a relationship exists between sample recovery and grade and whether sample bias may have occurred due to preferential loss/gain of fine/coarse material.* | • RC sample recovery is recorded by the field geologist and is based on how much of the sample is returned from the cone splitter. This is recorded as very good (90%), good (80%), Moderate (50%), Poor (25%), Very poor (10%).<br>• The condition of the sample recovered from the drilling process was also recorded as either dry, moist, wet or saturated.<br>• To ensure maximum sample recovery and representivity, the field geologist is present during drilling and monitors the sampling process. Any issues are immediately rectified.<br>• There were no significant sample recovery issues encountered during the drilling programme.<br>• Several twin RC drill holes have been completed and the results are currently being reviewed to assess sample bias. |
| *Logging* | • *Whether core and chip samples have been geologically and geotechnically logged to a level of detail to support appropriate Mineral Resource estimation, mining studies and metallurgical studies.*<br>• *Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography.*<br>• *The total length and percentage of the relevant intersections logged.* | • Logging of RC samples was completed for every 2m interval corresponding with the 2m sample interval using BCI Standard Logging Procedures. This level of detail supports appropriate Mineral Resource estimation, mining studies and metallurgical studies.<br>• Geophysical down-hole gamma data using a Reflex EZ-Gamma™ has been collected on selected drill holes to support geological information and stratigraphic interpretation.<br>• Geophysical down-hole logging comprising gamma, density, resistivity, magnetic susceptibility and magnetic deviation were collected on 17 selected holes by Wireline Services Group to aid in the geological interpretation and supporting future resource modelling. |

| Criteria | JORC Code Explanation | Commentary |
|---|---|---|
| *Sub-sampling techniques and sample preparation* | • *If core, whether cut or sawn and whether quarter, half or all core taken.*<br>• *If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry.*<br>• *For all sample types, the nature, quality and appropriateness of the sample preparation technique.*<br>• *Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.*<br>• *Measures taken to ensure that the sampling is representative of the in situ material collected, including for instance results for field duplicate/second-half sampling.*<br>• *Whether sample sizes are appropriate to the grain size of the material being sampled.* | *Sub-sampling Technique:*<br>• RC chip samples of approximately 4kg are collected via a cone splitter for each 2m interval drilled in a pre-numbered calico bag. Samples are kept dry where possible.<br>• The sample sizes are appropriate to correctly represent the mineralisation based on the style of mineralisation (Detrital Iron Deposit and Bedded Iron Deposit), the thickness and consistency of intersections, the sampling methodology and percent value assay ranges for the primary elements.<br>*Sample Preparation:*<br>• Sample dried at 105ºC for 24 hrs.<br>• Crushed to nominal -3mm.<br>• Pulverised to 95% passing at 105µm.<br>*Quality Control Procedure:*<br>• Duplicate sample inserted 1 every 50 samples (1:50).<br>• Certified Reference Material assay standards inserted 1 every 50 samples (1:50).<br>• Overall QAQC insertion rate of 1:25.<br>• Laboratory duplicates are taken where large samples required splitting.<br>• Laboratory repeats are taken and standards inserted at predetermined levels by the laboratory. |

| Criteria | JORC Code Explanation | Commentary |
|---|---|---|
| *Quality of assay data and laboratory tests* | • *The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.*<br>• *For geophysical tools, spectrometers, handheld XRF instruments, etc, the parameters used in determining the analysis including instrument make and model, reading times, calibrations factors applied and their derivation, etc.*<br>• *Nature of quality control procedures adopted (eg standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (ie lack of bias) and precision have been established.* | • All samples were submitted to Bureau Veritas Laboratory in Perth and were assayed for the iron ore suite (14 elements) by XRF and LOI by TGA.<br>• Laboratory procedures are in line with industry standards and appropriate for iron ore deposits.<br>• Samples are dried at 105ºC for 24 hrs before being crushed using a Boyd crusher to a nominal -3mm size, then pulverised to 95% passing 105 microns using a LM2 mill. Sub samples are collected to produce a 0.67-0.69g sample that is dried further, fused at 105ºC for 60 minutes, poured into a platinum mould and placed into the XRF machine for analyses and reporting.<br>• Certified Reference Material assay standards and field duplicates are used for quality control.<br>• There were no discernible issues with sample representivity and all duplicates samples for the significant intersections reported were within 10% of the original sample value.<br>• Certified Reference Material assay standards having a good range of values, were inserted at pre-defined intervals by BCI and randomly by the laboratory at set levels. Results highlight that sample assay values are within acceptable accuracy and precision ranges. |
| *Verification of sampling and assaying* | • *The verification of significant intersections by either independent or alternative company personnel.*<br>• *The use of twinned holes.*<br>• *Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.*<br>• *Discuss any adjustment to assay data.* | • Significant drilling intersections have been independently verified by alternative company personnel.<br>• The Competent Person has visited site and inspected the sampling process in the field.<br>• Primary data for the drilling is captured on a field Toughbook laptop computer using LogChief software. The software has validation routines to minimise data entry errors.<br>• Data is sent to Perth and stored in a secure, centralised Datashed database.<br>• No adjustments or calibrations were made to any data in the announcement. |

| Criteria | JORC Code Explanation | Commentary |
|---|---|---|
| *Location of data points* | • *Accuracy and quality of surveys used to locate drill holes (collar and down-hole surveys), trenches, mine workings and other locations used in Mineral Resource estimation.*<br>• *Specification of the grid system used.*<br>• *Quality and adequacy of topographic control.* | • All drill hole collars were located using a Garmin hand held GPS with an accuracy of +/- 5m All drill holes will be surveyed at completion of the program.<br>• Down hole surveys were completed for selected holes (nominally every very third hole) using either a Reflex EZ-Trac™ or an Axis Champ Gyro™ instrument to record the azimuth and declination of the hole. The Reflex tool was used primarily to confirm the verticality of the hole as magnetic lithologies impacted the azimuth. The instrument confirmed that all holes were all within 1-2º of vertical. The Axis tool was used on selected vertical and angled (notionally -60 degree) holes to confirm that hole deviation was within acceptable limits (<3 degrees over 100m depth). All holes surveyed were considered not to have deviated significantly and were within acceptable tolerances.<br>• The survey co-ordinates are projection MGA_GDA 94 Zone 50.<br>• Surface topography is not applicable as the information is not at this stage being used in a Mineral Resource estimate. |
| *Data spacing and distribution* | • *Data spacing for reporting of Exploration Results.*<br>• *Whether the data spacing and distribution is sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Resource and Ore Reserve estimation procedure(s) and classifications applied.*<br>• *Whether sample compositing has been applied.* | • Drill spacing on an approximate 50m (N-S) and 100/200m (E-W).<br>• The drill spacing is considered sufficient to establish the degree of geological and grade continuity applied under the 2012 JORC code.<br>• All drill samples were collected at 2m interval and there has been no subsequent compositing of samples. |
| *Orientation of data in relation to geological structure* | • *Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type.*<br>• *If the relationship between the drilling orientation and the orientation of key mineralised structures is considered to have introduced a sampling bias, this should be assessed and reported if material.* | • Drill holes are spatially arranged across the mapped BID and DID.<br>• The DID is interpreted to be generally flat-lying and the vertical orientation of the drilling is designed to give an orthogonal intersection of the DID. The Banded Iron Formation (BIF) hosting the BID mineralisation at the target was interpreted to have a very gentle dip towards the south and drilling of vertical holes is considered to give an approximate orthogonal intersection of mineralisation.<br>• As such the orientation of drilling and samples collected is not considered to have introduced a sampling bias. |

| Criteria | JORC Code Explanation | Commentary |
|---|---|---|
| *Sample security* | • *The measures taken to ensure sample security.* | • Samples are packed into sealed plastic bags and then placed inside sealed Bulka bags. The samples are then delivered to a despatch point in Karratha by employees of BCI.<br>• The samples are then transported to Perth using a third-party freight company and delivered to the laboratory (Bureau Veritas).<br>• Once received at the laboratory, samples are stored in a secure yard until analysed.<br>• The laboratory receipts the samples against sample dispatch/submission documents and issues a reconciliation report for every sample dispatch. |
| *Audits or reviews* | • *The results of any audits or reviews of sampling techniques and data.* | • Sampling techniques are reviewed by company geologists on a regular basis to ensure best practise techniques are implemented. |

## *Section 2 – Reporting of Exploration Results*

(Criteria listed in the preceding section also apply to this section.)

| Criteria | JORC Code Explanation | Commentary |
|---|---|---|
| *General tenement and land tenure status* | • *Type, reference name/number, location and ownership including agreements or material issues with third parties such as joint ventures, partnerships, overriding royalties, native title interests, historical sites, wilderness or national park and environmental settings.*<br>• *The security of the tenure held at the time of reporting along with any known impediments to obtaining a licence to operate in the area.* | • Exploration Results reported are from E47/1407.<br>• E47/1407 is held by BC Pilbara Iron Ore Pty Ltd, which is a 100% owned subsidiary of BCI. The tenements were granted on 20/10/2008 for a period of 10 years. BCI plans to apply for an extension of term prior to expiry of the tenement and anticipates there will be no impediments to this being granted.<br>• The tenement is situated within the Kuruma and Marthudunera Native Title Claim (WC 1999/12) and Yindjibarndi Aboriginal Corporation (WR 2017/001).<br>• The tenements are current and in good standing with all statutory commitments being met as and when required.<br>• There are no known impediments to obtaining a licence to operate pending the normal approvals process.<br>• Mineralogy Pty Ltd has an iron ore royalty of 2.0% FOB revenue on the first 100 million tonnes of iron ore mined, increasing to 3.5% of FOB revenue on any iron ore in excess of 100 million tonnes mined and a 3.5% royalty on the value of any other mineral sold from the tenement. |
| *Exploration done by other parties* | • *Acknowledgment and appraisal of exploration by other parties.* | • Previous exploration for iron ore within the tenements is limited to:<br>– Remote sensing techniques such as Quickbird and aeromagnetic surveys by Mineralogy Pty Ltd.<br>– Geological mapping and limited rock chip sampling by BHP Limited in 1972.<br>– 14 diamond/RC holes by Australian Hanna Pty Ltd between 1975 and 1982, exploring for Banded Iron Formation hosted magnetite near Targets B, E, I & J. This data is being reviewed currently to determine the relevance to focusing the exploration. |

| Criteria | JORC Code Explanation | Commentary |
|---|---|---|
| *Geology* | • *Deposit type, geological setting and style of mineralisation.* | • The regional geology predominantly comprises Brockman Iron Formation with lesser amounts of Mount McRae Shale and Mount Sylvia Formation and Wittenoom Formation occurring along the northern margins of the project, which is situated in the Hammersley Province.<br>• BID mineralisation intersected in drilling is mostly contained within the Proterozoic aged Joffre Member of the Brockman Formation. The DID mineralisation, which has formed from mechanical transport, generally occur in topographic lows in close proximity to the enriched BIF mineralisation. |
| *Drill hole Information* | • *A summary of all information material to the understanding of the exploration results including a tabulation of the following information for all Material drill holes:*<br>  ○ *easting and northing of the drill hole collar*<br>  ○ *elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar*<br>  ○ *dip and azimuth of the hole*<br>  ○ *down hole length and interception depth*<br>  ○ *hole length.*<br>• *If the exclusion of this information is justified on the basis that the information is not Material and this exclusion does not detract from the understanding of the report, the Competent Person should clearly explain why this is the case.* | • Refer to Table 1 in Appendix 1 of the ASX announcement. |
| *Data aggregation methods* | • *In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (eg cutting of high grades) and cut-off grades are usually Material and should be stated.*<br>• *Where aggregate intercepts incorporate short lengths of high grade results and longer lengths of low grade results, the procedure used for such aggregation should be stated and some typical examples of such aggregations should be shown in detail.*<br>• *The assumptions used for any reporting of metal equivalent values should be clearly stated.* | • A nominal 56% Fe lower cut off and no high grade cut off is applied with a maximum 2m of internal dilution and minimum 4m width for significant intercepts. Intersections are weighted by length.<br>• Metal equivalence is not applicable to this style of mineralisation. |

| Criteria | JORC Code Explanation | Commentary |
|---|---|---|
| *Relationship between mineralisation widths and intercept lengths* | • *These relationships are particularly important in the reporting of Exploration Results.*<br>• *If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported.*<br>• *If it is not known and only the down hole lengths are reported, there should be a clear statement to this effect (eg 'down hole length, true width not known').* | • The majority of holes are vertical (-90º) with limited number angled (-60 degrees) either to the south or north drilled to intersect generally flat-lying mineralisation in an orthogonal attitude. As such the down-hole intersections are considered to represent the true-width of mineralisation. |
| *Diagrams* | • *Appropriate maps and sections (with scales) and tabulations of intercepts should be included for any significant discovery being reported. These should include, but not be limited to a plan view of drill hole collar locations and appropriate sectional views.* | • Refer to Figures 3 to 10 in the ASX announcement and Tables 1 to 3 in Appendix 1 of the ASX announcement. |
| *Balanced reporting* | • *Where comprehensive reporting of all Exploration Results is not practicable, representative reporting of both low and high grades and/or widths should be practiced to avoid misleading reporting of Exploration Results.* | • All assay results received to date for holes drilled in the current programme are reported in this ASX announcement or the ASX announcement released on 9 May 2018. |
| *Other substantive exploration data* | • *Other exploration data, if meaningful and material, should be reported including (but not limited to): geological observations; geophysical survey results; geochemical survey results; bulk samples – size and method of treatment; metallurgical test results; bulk density, groundwater, geotechnical and rock characteristics; potential deleterious or contaminating substances.* | • Limited other exploration undertaken. Refer to the "Exploration done by other parties" section above. |
| *Further work* | • *The nature and scale of planned further work (eg tests for lateral extensions or depth extensions or large-scale step-out drilling).*<br>• *Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.* | • Mineral Resource estimates are planned to be completed for Kumina A (in progress) and Targets C, E and J (subject to drilling results) during June 2018.<br>• Assessment and early stage exploration work is planned to continue at other iron ore targets on the Kumina tenements, which is expected to be followed up with further drilling programmes. |