

# MINERAL RESOURCES AND ORE RESERVES

BCI has a substantial Mineral Resource and Ore Reserves base across its portfolio of operating and development projects in the Pilbara region of Western Australia. The Company's Mineral Resources and Ore Reserves are summarised in the following tables and further details are provided below.

## MINERAL RESOURCES

Project	Cut-off % Fe	Mt	Fe %	CaFe %	SiO <sub>2</sub> %	Al <sub>2</sub> O <sub>3</sub> %	P %	LOI %
Iron Valley	50	197.8	58.1	62.6	5.4	3.3	0.17	7.2
Kumina	53	115.2	58.0	62.6	5.7	3.2	0.10	7.5
Buckland	50	283.3	56.5	61.4	7.8	2.7	0.14	8.1
<b>Total – Hematite</b>	<b>Various</b>	<b>596.3</b>	<b>57.3</b>	<b>62.0</b>	<b>6.6</b>	<b>3.0</b>	<b>0.15</b>	<b>7.7</b>
Maitland River – Magnetite	26	1,106.0	30.4	30.8	44.0	2.3	0.06	1.2

## ORE RESERVES

Project	Cut-off % Fe	Mt	Fe %	CaFe %	SiO <sub>2</sub> %	Al <sub>2</sub> O <sub>3</sub> %	P %	LOI %
Iron Valley	54	95.4	58.4	63.1	5.0	3.1	0.18	7.4
Buckland	54	134.3	57.6	62.6	6.5	2.4	0.15	8.0
<b>Total</b>	<b>54</b>	<b>229.7</b>	<b>57.9</b>	<b>62.8</b>	<b>5.8</b>	<b>2.7</b>	<b>0.16</b>	<b>7.8</b>

## IRON VALLEY

Mineral Resource and Ore Reserve estimates for Iron Valley as at 30 June 2018 are set out below, with a comparison to 30 June 2017 figures. The estimates have been completed by MIN, the operator of the Iron Valley mine. Mineral Resources reduced by 32.2Mt due to mining depletion and geological model updates from recent drilling. Ore Reserves reduced by 17.6Mt during the year, accounting for mining depletion, the revised Mineral Resource model and mine planning re-optimisation.

### Iron Valley Mineral Resource Estimate (100% BCI, subject to iron ore sale agreement with MIN)

Classification	Cut-off % Fe	Mt	Fe %	CaFe %	SiO <sub>2</sub> %	Al <sub>2</sub> O <sub>3</sub> %	P %	LOI %
Measured – In-situ	50	86.8	57.9	62.8	5.2	3.2	0.19	7.8
Measured – Stockpiles	50	5.2	56.1	60.1	8.3	3.7	0.14	6.6
Indicated	50	79.6	58.4	62.9	5.2	3.3	0.17	7.1
Inferred	50	26.1	57.8	61.3	6.6	3.9	0.14	5.6
<b>Total as at 30-Jun-18</b>	<b>50</b>	<b>197.8</b>	<b>58.1</b>	<b>62.6</b>	<b>5.4</b>	<b>3.3</b>	<b>0.17</b>	<b>7.2</b>
<i>Total as at 30-Jun-17</i>	<i>50</i>	<i>230.0</i>	<i>58.4</i>	<i>62.8</i>	<i>5.2</i>	<i>3.2</i>	<i>0.17</i>	<i>7.0</i>

### Iron Valley Ore Reserve Estimate (100% BCI, subject to iron ore sale agreement with MIN)

Classification	Cut-off % Fe	Mt	Fe %	CaFe %	SiO <sub>2</sub> %	Al <sub>2</sub> O <sub>3</sub> %	P %	LOI %
Proved – In-situ	54	56.6	58.4	63.3	4.6	3.1	0.19	7.7
Proved – Stockpiles	54	5.2	56.1	60.1	8.3	3.7	0.14	6.6
Probable – In-situ	54	33.6	58.6	63.1	5.0	3.2	0.16	7.2
<b>Total as at 30-Jun-18</b>	<b>54</b>	<b>95.4</b>	<b>58.4</b>	<b>63.1</b>	<b>5.0</b>	<b>3.1</b>	<b>0.18</b>	<b>7.4</b>
<i>Total as at 30-Jun-17</i>	<i>54</i>	<i>113.0</i>	<i>58.6</i>	<i>63.3</i>	<i>4.8</i>	<i>3.0</i>	<i>0.18</i>	<i>7.3</i>

Notes:

- Tonnages are dry metric tonnes and have been rounded. Small difference in totals may exist due to rounding.
- CaFe means "calcined Fe" and equals Fe% / (1- LOI%).
- Stockpiles have been converted to dry tonnes based on a 7% moisture content.
- Stockpiles include 2.1Mt of post-process lump and fines products and 3.1Mt of pre-process ore.

## KUMINA

BCI acquired Kumina in September 2017 and rapidly completed initial exploration and drilling programmes. A maiden Mineral Resource estimate was completed in June 2018, as set out below.

### Kumina Mineral Resource Estimate (100% BCI)

Classification	Cut-off % Fe	Mt	Fe %	CaFe %	SiO <sub>2</sub> %	Al <sub>2</sub> O <sub>3</sub> %	P %	LOI %
Measured	-	-	-	-	-	-	-	-
Indicated	-	-	-	-	-	-	-	-
Inferred	53	115.2	58.0	62.6	5.7	3.2	0.10	7.5
<b>Total as at 30-Jun-18</b>	<b>53</b>	<b>115.2</b>	<b>58.0</b>	<b>62.6</b>	<b>5.7</b>	<b>3.2</b>	<b>0.10</b>	<b>7.5</b>
<i>Total as at 30-Jun-17</i>	-	-	-	-	-	-	-	-

Notes:

- The Kumina Mineral Resource estimate includes deposits A, E and J.
- CaFe means "calcined Fe" and equals Fe% / (1- LOI%).

## BUCKLAND

Mineral Resource and Ore Reserve estimates for Buckland as at 30 June 2018 are set below, with a comparison to 30 June 2017 figures. There were no changes to the Mineral Resource and Ore Reserve estimates during the year.

### Buckland Mineral Resource Estimate (100% BCI)

Deposit	Classification	Cut-off % Fe	Mt	Fe %	CaFe %	SiO <sub>2</sub> %	Al <sub>2</sub> O <sub>3</sub> %	P %	LOI %
Bungaroo South Area	Measured	50	30.9	57.4	62.1	6.7	3.0	0.15	7.6
	Indicated	50	224.0	56.6	61.6	7.8	2.4	0.15	8.1
	Inferred	50	3.4	54.7	59.4	10.2	3.0	0.13	7.9
Regional Satellite Deposits	Indicated	50	11.1	55.4	59.5	8.8	4.0	0.11	6.9
	Inferred	50	13.8	54.8	59.9	7.8	4.2	0.11	8.6
Sub-total	Measured	50	30.9	57.4	62.1	6.7	3.0	0.15	7.6
	Indicated	50	235.1	56.5	61.5	7.9	2.5	0.14	8.1
	Inferred	50	17.2	54.8	59.8	8.3	4.0	0.11	8.4
<b>Total as at 30-Jun-18</b>		<b>50</b>	<b>283.3</b>	<b>56.5</b>	<b>61.4</b>	<b>7.8</b>	<b>2.7</b>	<b>0.14</b>	<b>8.1</b>
<i>Total as at 30-Jun-17</i>		<i>50</i>	<i>283.3</i>	<i>56.5</i>	<i>61.4</i>	<i>7.8</i>	<i>2.7</i>	<i>0.14</i>	<i>8.1</i>

### Buckland Ore Reserve Estimate (100% BCI)

Deposit	Classification	Cut-off % Fe	Mt	Fe %	CaFe %	SiO <sub>2</sub> %	Al <sub>2</sub> O <sub>3</sub> %	P %	LOI %
Bungaroo South Area	Proved	54	23.2	58.3	62.9	5.8	2.9	0.15	7.4
	Probable	54	111.1	57.5	62.6	6.6	2.3	0.15	8.1
<b>Total as at 30-Jun-18</b>		<b>54</b>	<b>134.3</b>	<b>57.6</b>	<b>62.6</b>	<b>6.5</b>	<b>2.4</b>	<b>0.15</b>	<b>8.0</b>
<i>Total as at 30-Jun-17</i>		<i>54</i>	<i>134.3</i>	<i>57.6</i>	<i>62.6</i>	<i>6.5</i>	<i>2.4</i>	<i>0.15</i>	<i>8.0</i>

Notes:

- Bungaroo South Area is Bungaroo South and Dragon. Regional Satellite Deposits are Rabbit, Rooster and Snake.
- Tonnages are dry metric tonnes and have been rounded. Small difference in totals may exist due to rounding.
- CaFe means "calcined Fe" and equals Fe% / (1- LOI%).

## MAITLAND RIVER

The Mineral Resource estimate for Maitland River as at 30 June 2018 is set out below, with a comparison to 30 June 2017 figures. There was no change to the Mineral Resource estimate during the year.

### Maitland River Mineral Resource Estimate (100% BCI)

Classification	Cut-off % Fe	Mt	Fe %	CaFe %	SiO <sub>2</sub> %	Al <sub>2</sub> O <sub>3</sub> %	P %	LOI %
Measured	-	-	-	-	-	-	-	-
Indicated	-	-	-	-	-	-	-	-
Inferred	26	1,106.0	30.4	30.8	44.0	2.3	0.06	1.2
Total as at 30-Jun-18	26	1,106.0	30.4	30.8	44.0	2.3	0.06	1.2
Total as at 30-Jun-17	26	1,106.0	30.4	30.8	44.0	2.3	0.06	1.2

Notes:

- Tonnages are dry metric tonnes and have been rounded. Small difference in totals may exist due to rounding.
- CaFe means "calcined Fe" and equals Fe% / (1- LOI%).
- The Mineral Resource estimate is for beneficiable feed ore, which requires beneficiation (upgrading).
- Indicative Davis Tube Recovery (grind size, P80 25µ) test work produced a beneficiated magnetite concentrate with weight yields ranging from 13-28%.

## MINERAL RESOURCES AND ORE RESERVES GOVERNANCE

BCI's Mineral Resources and Ore Reserves as at 30 June 2018 are reported in accordance with JORC (2012) guidelines except for the Maitland River Mineral Resource estimate, which is reported in accordance with JORC (2004) guidelines on the basis that the information has not materially changed.

In relation to Kumina, Buckland and Maitland River, the Mineral Resource and Ore Reserve estimates are completed by or under the guidance of a suitably qualified BCI or independent Competent Person. The estimates are based on industry standard techniques and standard company practices for public reporting.

In relation to Iron Valley, the Mineral Resource and Ore Reserve estimates are completed by or under the guidance of a suitably qualified MIN or independent Competent Person. BCI is satisfied with the procedures MIN has advised it has in place for Mineral Resource and Ore Reserve estimation. Suitably qualified BCI personnel have also reviewed the documentation and are comfortable with the methodologies used by MIN.

The Mineral Resources and Ore Reserves statement included in the Annual Report is reviewed and approved by a suitably qualified BCI Competent Person prior to its inclusion.

## COMPETENT PERSONS STATEMENTS

The Mineral Resources and Ore Reserves statement in this report has been approved by Mr Paul Penna who is an employee of BCI Minerals Limited and a Member of the Australian Institute of Geoscientists. Mr Penna consents to the inclusion in this report of the Mineral Resources and Ore Reserves statement in the form and context in which it appears.

The information in this report that relates to the Mineral Resource estimate at Iron Valley is based on, and fairly represents, information which has been compiled by Mr Matthew Watson, who is a Member of the Australasian Institute of Mining and Metallurgy and a full time employee of Mineral Resources Limited. Mr Watson 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 Watson consents to the inclusion in this report of the matters based on his information in the form and context in which they appear.

The information in this report that relates to the Ore Reserve estimate at Iron Valley is based on, and fairly represents, information which has been compiled by Mr Ross Jaine, who is a Member of the Australasian Institute of Mining and Metallurgy and a full-time employee of Mineral Resources Limited. Mr Jaine 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 Jaine consents to the inclusion in this report of the matters based on his information in the form and context in which they appear.

The information in this report that relates to the data that was used to compile the Mineral Resource estimate at Kumina is based on, and fairly represents, information which has been compiled by Mr Ian Shackleton. Mr Shackleton is a Member of the Australian Institute of Geoscientists and was a full-time employee of BCI Minerals Limited at the time the estimate was completed. 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.

The information in this report that relates to estimation of the Mineral Resource estimate at Kumina is based on, and fairly represents, information which has been compiled by Mr Rodney Brown. Mr Brown is a Member of the Australasian Institute of Mining and Metallurgy and a full-time employee of SRK Consulting. Mr Brown 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 Brown consents to the inclusion in this report of the matters based on his information in the form and context in which they appear.

The information in this report that relates to the Mineral Resource estimates at Buckland is based on, and fairly represents, information which has been compiled by Mr Lynn Widenbar, who is a Member of the Australasian Institute of Mining and Metallurgy and a full-time employee of Widenbar and Associates. Mr Widenbar 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 Widenbar consents to the inclusion in this report of the matters based on his information in the form and context in which they appear.

The information in this report that relates to the Ore Reserve estimate at Buckland is based on, and fairly represents, information which has been compiled by Mr Alan G. Cooper, who was a Member of the Australasian Institute of Mining and Metallurgy and was a full-time employee of Snowden Mining Industry Consultants Pty Ltd at the time the estimate was completed. Mr Cooper had 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'.

The information in this report that relates to the Mineral Resource estimate at Maitland River is based on, and fairly represents, information which has been compiled by Mr Lynn Widenbar, who is a Member of the Australasian Institute of Mining and Metallurgy and a full-time employee of Widenbar and Associates. Mr Widenbar 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 2004 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr Widenbar consents to the inclusion in this report of the matters based on his information in the form and context in which they appear. It has been not been updated to comply with the JORC Code 2012 on the basis that the information has not materially changed since it was last reported.