Developing the Multi-Generational Mardie Salt and SOP Project

Corporate Presentation
Important Notices

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This document contains a summary of information about BCI and its recently completed feasibility. The information is current as at the date of this document. The information in this document is general in nature and does not purport to be complete or to contain all the information which a prospective investor or financier may require in evaluating a possible investment in BCI or that would be required in a prospectus or a product disclosure statement prepared in accordance with the Corporations Act 2001 (Cth) ("Corporations Act"). For further information regarding BCI’s feasibility study, recipients should refer to BCI’s ASX announcement titled "Feasibility Study Confirms World Class Opportunity" and dated 1 July 2020. BCI confirms that all material assumptions that underpin the production targets and forecast financial information in the ASX announcement continue to apply and have not materially changed.

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Forward-Looking Statements
This document contains forward-looking statements. These forward-looking statements are based on BCI’s current expectations and beliefs concerning future events at the date of this document, and are expressed in good faith. BCI believes it has reasonable grounds for making the forward-looking statements. However, forward-looking statements are subject to risks, uncertainties and other factors, many of which are outside the control of BCI, which could cause actual results to differ materially from future results expressed or implied by such forward-looking statements. Consequently, forward-looking statements should not be relied on as a guarantee of future performance. Other than as required by law, including the ASX Listing Rules, BCI does not undertake or assume any obligation to update or revise any forward-looking statement contained in this document.

BCI has reasonable grounds to believe the required levels of equity and debt can be secured to fund the Project’s development, however there are no certainties this will be achieved.

JORC Code
The Mardie Salt and Potash Project aims to produce salt and SOP from a seawater resource, which is abundant, inexhaustible, readily accessible and has a known and consistent chemical composition. The Australian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves 2012 Edition ("JORC Code") does not apply to a project of this nature and, accordingly, JORC Ore Reserves and Mineral Resources are not reported.

Acceptance
By attending an investor presentation or briefing, or accepting, accessing or viewing this document you acknowledge and agree to the “Important Notices” as set out above.
The BCI Opportunity

Developing a Tier 1 salt and SOP\(^1\) project supported by iron ore royalties

- DFS confirms Tier 1 asset
- Pre-tax NPV\(_7\) ~$1.2Bn
- EBITDA ~$200Mpa

- ~$80M market cap\(^2\)
- ~$42M cash and zero debt\(^3\)
- Low EV relative to peers

- 89Mt Ore Reserves\(^4\)
- 6-8Mtpa production
- BCI FY20 EBITDA: $23.1M

\(^1\) Sulphate of Potash (K\(_2\)SO\(_4\)) or Potassium Sulphate
\(^2\) As at 5 August 2020
\(^3\) Unaudited as at 30 June 2020
\(^4\) As at 30 June 2019
Why Salt and SOP?

Strong growth in Mardie’s target markets

**Salt**
- >10,000 products derived from salt (PVC, alumina, glass, paper, water purification)
- Asian market size of 160Mtpa salt with an annual value of US$6.5Bn
- 55Mtpa growth¹ (30%) over next decade driven by increasing population requiring more industrial and consumer products

**SOP**
- Premium fertiliser used on high value crops
- Global market size of 7Mtpa with annual value of US$3.5Bn
- >1Mtpa growth² (18%) over next decade driven by growing population, changing dietary habits and declining arable land

¹Roskill (April 2020) ²Argus Consulting (July 2019)
Mardie Project DFS\(^1\) Summary

**Tier 1 scale, cost and operating life**

**LARGE SCALE**
- 4.4Mtpa will be the largest Australian salt operation
- 3\(^{rd}\) largest global solar salt project
- ~100sq km footprint
- Expansion to 6Mtpa scoped

**SUSTAINABLE**
- 100-year life potential\(^2\)
- Seawater is an inexhaustible resource
- 99.9% of energy from wind and sun
- Secondary processing of waste brines for 120ktpa of SOP

**QUALITY PRODUCTS**
- High purity salt (>99.5% NaCl)
- Premium granular SOP fertiliser (>52% K\(_2\)O)

**LOW COST**
- Lowest quartile salt operating cost (incl. SOP credits)
- Ability to ship large vessels provides cost advantage

**STRONG CASHFLOWS**
- ~$20Bn cashflow\(^3\) over 100 years\(^2\)
- ~$200Mpa EBITDA
- Long term annuity

The DFS Summary and the DFS presentation are available on the BCI website (www.bciminerals.com.au)

\(^1\)Definitive Feasibility Study (AACE International Class 3 with cost estimates to an accuracy of ±10% to 15%) \(^2\)Subject to Mining and Port Leases being extended \(^3\)Pre-tax, ungeared, real
### Large Scale Salt Project

#### Top tier global solar salt project\(^1\)

<table>
<thead>
<tr>
<th>Salt Capacity (Mtpa)</th>
<th>0</th>
<th>1</th>
<th>2</th>
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<th>5</th>
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<td>Guerrero Negro [Mexico]</td>
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<td>Lantai Industrial Salt [China]</td>
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<td>Sino-Salt Xinjiang [China]</td>
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<td>Qinghai Salt Lake Industry [China]</td>
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<td>Mardie Salt/SOP Project [WA]</td>
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<td>Hajipir [India]</td>
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\(^1\)Roskill (November 2019)
Mardie in Perspective

Annual revenues similar to well-known operations, however Mardie has much higher life of mine (LOM) revenues

<table>
<thead>
<tr>
<th>Annual Revenue (US$M)¹</th>
<th>0</th>
<th>100</th>
<th>200</th>
<th>300</th>
<th>400</th>
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<tr>
<td>Mardie Salt &amp; Potash (BCI)</td>
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<td>Gold: Thunderbox (SAR)</td>
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<td>Nickel: Forrestania (WSA)</td>
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<td>Copper: Northparkes (80%:HK:3993)</td>
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<td>Lithium: Pilgangoora (PLS)</td>
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<tr>
<th>LOM Revenue (US$Bn)²</th>
<th>0</th>
<th>5</th>
<th>10</th>
<th>15</th>
<th>20</th>
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¹Thunderbox – FY20 production of 185koz (ASX: 21-Jul-20) multiplied by gold price of US$1,750/oz. Forrestania – FY20 production of 20.9kt (ASX: 24-Jul-20) multiplied by nickel price of US$12,500/t. Northparkes – FY20 production guidance of 33.1kt Cu and 28.1koz Au (Capital IQ) multiplied by copper price of US$6,000/t and gold price of US$1,750/oz; Pilgangoora – stage 1 capacity of 330ktpa and stage 2 capacity of an additional 500ktpa (ASX: 17-Jun-20) each multiplied by spodumene price of US$450/t

²Annual revenue per footnote 1 multiplied by mine life as reported or as calculated by dividing Ore Reserves by FY20 production: Mardie – 60 years; Thunderbox – 9 years (ASX: 4-Aug-20); Forrestania – 4 years (ASX: 24-Jul-20); Northparkes – 22 years (Capital IQ) – Pilgangoora – 23 years for stage 2 (ASX: 17-Jun-20)
Australian Salt & SOP Landscape

Mardie: ideal location to produce high-purity salt and SOP

- Pilbara has ideal climate to produce high purity salt
  - High temperature, high wind, low rainfall, low humidity
  - Proven salt production region since the 1960’s

- Five large WA Solar Salt Operations (12-13Mtpa)
  - Controlled by Rio Tinto and Mitsui
  - No new large Australian salt project in 20 years

- No current SOP production in Australia:
  - Other development projects all based on inland lake brines and >800km road transport to third party ports

- Mardie Salt and SOP Project:
  - Largest solar salt project in Australia
  - Only Australian project with commercial salt and SOP from seawater
Mardie Project Overview

100% owned salt and SOP development opportunity

SITE CONDITIONS
- 100km² clay soils – ideal to retain water
- High net evaporation rates (~10mm/day)

PRODUCTION
- 9 evaporation ponds
- 34 salt and 18 SOP crystallisers
- Salt wash plant producing 4.4Mtpa salt >99.5% NaCl
- SOP process plant producing 120ktpa SOP >52% K₂O (granular)

PORT
- 2.3km steel trestle jetty with conveyor
- Ship loader to transfer salt and SOP
- 4.5km dredged channel

SHIPPING
- 10,000t transhipment vessel
- Handymax, Panamax and Capesize vessels 28km offshore
Mardie – Plants and Port Infrastructure

SALT WASH PLANT

SOP PROCESS PLANT

PORT
DFS delivered strong outcomes for key financial metrics

**PRODUCTION 60 YEARS**
- Salt 4.4Mtpa
- SOP 120ktpa

**CAPITAL COST (A$779M)**
- A$580M direct capex
- A$199M indirect and contingency

**OPERATING COST (60 year average)**
- Salt A$20.30/t FOB
- SOP A$310/t FOB

**PRICE (60 year average)**
- Salt: US$34/t FOB (A$50/t) – 60% margin
- SOP: US$583/t FOB (A$857/t) – 65% margin

**FINANCIALS**
- NPV: A$1,197M
- EBITDA: A$197Mpa (Salt 65%; SOP 35%)
- IRR: 15.3%

**60 YEAR CUMULATIVE NET CASHFLOW (A$M)**
- >A$10Bn

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1. All-in sustaining opex
2. Roskill (April 2020) long term price forecast less Braemar (June 2020) long term freight forecast for Mardie shipments to target customers
3. FX: 0.68
4. Argus Consulting (November 2019) long term NW Europe SOP price adjusted for Mardie quality and freight advantage
5. Pre-tax, ungeared, real
Mardie will be a low cost supplier of salt into Asia

- Mexican solar salt and Chinese rock salt the marginal cost suppliers to most Asian markets (~US$33/t)
- Mardie will be cost competitive with all Australian salt operations
- When SOP margin treated as a by-product credit, Mardie becomes one of the lowest cost salt producers

1 Roskill (April 2020), SMM (August 2019), BCI analysis
2 Cost curve limited to Mardie’s contestable market where Mardie can compete on delivered cost and quality with other suppliers to those markets
Approvals & Tenure Well Defined

Native title arrangements in place, approvals and tenure on track for early 2021

Environmental
- 3 years of surveys completed and no material issues expected
- Public Environmental Review process underway
- EPA endorsement and Ministerial Approval targeted by early 2021

Native Title
- Native Title agreements in-place and compensation arrangements finalised
- Heritage surveys completed

Tenure
- Mining Lease applications submitted and progressing to grant once access agreements are finalised
- Port leases being negotiated with Pilbara Ports Authority (PPA)

Native title arrangements in place, approvals and tenure on track for early 2021
Strong Customer Support for Mardie

MOUs covering a significant proportion of initial sales

- 13 Salt non-binding MOUs signed throughout Asia covering >100% of first 3 years
- 2 SOP non-binding MOUs signed covering >75% of first 5 years
- Convert MOUs to binding offtake agreements during 2020/2021

Support from Japan, China, Malaysia and others
Positive engagement from NAIF and Banks on potential debt financing

- Base case is a conventional funding model of debt (65%) and equity (35%)
- Secure debt commitments by end 2020
- **NAIF**: Formal DD phase; positive negotiations for potential long tenor facility
- **Banks**: Term sheet negotiations with multiple Australian and international banks
- **Equity**: Corporate level investment preferred; merits of project level investment to be considered
**Strong Government Support**

<table>
<thead>
<tr>
<th>Major Project Status</th>
<th>Application for grant of “Major Project Status” from Federal Government in advanced stage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Lead Agency</td>
<td>WA Dept Jobs, Tourism, Science and Innovation (DJTSI) appointed as Lead Agency to facilitate approvals and tenure</td>
</tr>
<tr>
<td>Port Tenure</td>
<td>WA Minister for Ports support for new port at Cape Preston West. Pilbara Ports Authority (PPA) coordinating establishment of tenure and leases</td>
</tr>
<tr>
<td>Funding</td>
<td>Discussions progressing with Northern Australia Infrastructure Facility (NAIF) for provision of Mardie debt funding</td>
</tr>
</tbody>
</table>
Long Term Stakeholder and Public Benefits

1. BENEFITS TO WA & AUSTRALIA
   - Corporate taxes: >$6Bn
   - State royalties: >$600M
   - Native title payments >$150M

2. SIGNIFICANT EMPLOYMENT OPPORTUNITIES
   - 470 construction jobs
   - 190 ongoing operating jobs

3. REGIONAL DEVELOPMENT
   - Gross Regional Product estimate: >$2Bn
   - Indigenous / local contracting and job opportunities

4. NEW PORT FACILITY
   - Third party access potential
   - Can unlock exports from other projects (salt, SOP, iron ore)

5. RENEWABLE AND SUSTAINABLE
   - Inexhaustible seawater resource
   - 99.9% of energy derived from solar and wind
   - Secondary processing of waste salt to SOP fertiliser

6. SECONDARY PROCESSING
   - Australian first to produce commercial SOP from seawater
   - Additional future by-product potential (including epsomite and bromine)

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1 60 year period 2 NPV of value add to Northern Australian GRP over 60 years, as per KPMG Draft Public Benefit Report (August 2020) 3 KPMG Energy Report (March 2020)
Next Steps: FEED, approvals, funding, ongoing site trials and early works

- **2020**
  - Q3 | Q4
  - FEED¹
  - APPROVALS
  - FUNDING
  - DEFINITIVE FEASIBILITY STUDY

- **2021**
  - Q1 | Q2 | Q3 | Q4
  - PONDS
  - CONSTRUCTION START

- **2022**
  - Q1 | Q2 | Q3 | Q4
  - CRISTALLISERS
  - OPERATIONS START

- **2023**
  - Q1 | Q2 | Q3 | Q4
  - GROW SALT INVENTORY
  - SALT PLANT

- **2024**
  - Q1 | Q2 | Q3 | Q4
  - GROW SOP INVENTORY
  - SOP PLANT

- **2025**
  - H1 | H2
  - PORT
  - FIRST SALT ON SHIP
  - FIRST SOP ON SHIP

¹FEED – Front End Engineering Design ²FID – Final Investment Decision
Iron Valley Mine

Strong royalty payments to BCI

- Quarterly royalty earnings from operating agreement with Mineral Resources Ltd
- 6-8Mtpa production; 89Mt Reserves\(^1\)
- Potential mine life of ~11 years
- 50% lump ore; 59% Fe average
- Since first production in 2014:
  - BCI revenue: $290M
  - BCI EBITDA: $75M
- FY20\(^2\):
  - BCI revenue: $81M
  - BCI EBITDA: $23M

\(^1\)As at 30 June 2019  \(^2\)Unaudited results
Market valuation appears low relative to developer peers

**Enterprise Value (EV)**

Selected SOP and Other Developers

- **Salt Lake Potash (SO4)**: EV = 244 A$M
- **Danakali (DNK)**: EV = 131 A$M
- **Kalium Lakes (KLL)**: EV = 117 A$M
- **Agrimin (AMN)**: EV = 110 A$M
- **Highfield Resources (HFR)**: EV = 106 A$M
- **Emmerson PLC (EML-L)**: EV = 51 A$M
- **Sheffield Resources (SPX)**: EV = 49 A$M
- **BCI Minerals (BCI)**: EV = 38 A$M
- **Australian Potash (APC)**: EV = 32 A$M
- **Reward Minerals (RWD)**: EV = 31 A$M
- **Crystal Peak (CPM-T)**: EV = 22 A$M

**SOP Developers**

- **Kalium Lakes (KLL)**: EV/SOP = 1,297 A$/tpa
- **Salt Lake Potash (SO4)**: EV/SOP = 995 A$/tpa
- **Danakali (DNK)**: EV/SOP = 554 A$/tpa
- **Agrimin (AMN)**: EV/SOP = 245 A$/tpa
- **Australian Potash (APC)**: EV/SOP = 214 A$/tpa
- **BCI Minerals (BCI)**: EV/SOP = 83 A$/tpa
- **Reward Minerals (RWD)**: EV/SOP = 77 A$/tpa
- **Crystal Peak (CPM-T)**: EV/SOP = 66 A$/tpa

**Notes:**
1. Company reports and market data as at 5 August 2020
2. Excludes precious metals, base metals and lithium developers
3. Calculated as enterprise value (EV) divided by annual SOP production. Mardie’s salt and SOP production is converted to an SOP equivalent of 460ktpa SOP
Why Invest in BCI?

Developing a Tier 1 salt and SOP project supported by iron ore royalties

**TIER 1 PROJECT**
Mardie has scale, low cost, long life

**CASHFLOW POTENTIAL**
\(~$20Bn^1\) over 100 years\(^2\) from Mardie

**ATTRACTIVE MARKETS**
Mardie to supply Salt & SOP growth markets

**IRON VALLEY**
Solid royalty earnings

- Enterprise value of only $38M
- Undervalued relative to peers

\(^1\)Pre-tax, ungeared, real \(^2\)Subject to Mining Leases and Port Leases being extended
Corporate Information

Capital Structure

Ordinary Shares 399M
Share Price (5-Aug-20) $0.20
Market Capitalisation $79.8M
Cash (30-Jun-20) $41.5M
Debt (30-Jun-20) Nil
Enterprise Value $38.3M

Shareholders

Australian Capital Equity 29.2%
Sandon Capital 5.7%
Top 20 Shareholders ~57%
Number of Shareholders ~6,200

1Unaudited as at 30 June 2020
Strong Board and Management

**BOARD**

**Brian O’Donnell**
NON-EXECUTIVE CHAIRMAN
- Banking and investment background
- Director, Finance and Investments - Australian Capital Equity (ACE)
- Numerous current and previous board positions on ASX-listed and private companies

**Alwyn Vorster**
MANAGING DIRECTOR
- Geology, Mining and MBA degrees
- Kumba; Rio Tinto; Iron Ore Holdings
- Mining; Marketing; Feasibilities; Business Development

**Jennifer Bloom**
NON-EXECUTIVE DIRECTOR
- Governance, approvals and business background
- Senior positions in both the private and public sector
- Chair BCI Rem & Nom Cmte

**Garret Dixon**
NON-EXECUTIVE DIRECTOR
- Civil engineering background
- Senior contracting roles (HWE; Mitchell Corp; Watpac - NED)
- Executive Vice Pres - Alcoa Corp
- Chair of BCI Project Review Cmte

**Michael Blakiston**
NON-EXECUTIVE DIRECTOR
- Legal and mining business background
- Partner in Gilbert + Tobin’s Energy + Resources group
- Chair BCI Audit & Risk Cmte and Chair BCI Equity Cmte

**Michael Klvac**
GENERAL MANAGER – SUSTAINABILITY
- Science and Economics degrees
- Rio Tinto; BHP; Iron Ore Holdings
- Environment; Native Title, Tenure and Stakeholder management

**Tony Chamberlain**
PROJECT DIRECTOR
- Chemistry/Metallurgy degrees (PhD)
- WMC; BHP; Vimy
- Feasibility studies, Construction, Operations

**Simon Hodge**
CHIEF FINANCIAL OFFICER
- Finance degree
- JP Morgan; Poynton; Quickflix
- Corporate finance; Investment banking

**Stephanie Majteles**
GENERAL COUNSEL
- Law degree
- Freehills; Rio Tinto
- Energy & Resources, Project Development, Corporate & Commercial