

Mineral Resources and Ore Reserves

BCI's Mineral Resources and Ore Reserves are at the Iron Valley iron ore mine. Iron Valley is 100% owned by BCI and is being operated by Mineral Resources Limited (MIN) under a royalty-type agreement. MIN operates the mine at its cost and purchases Iron Valley product from BCI at a price linked to MIN's realised sale price.

Estimates for Iron Valley as at 30 June 2020 are set out below, with a comparison to 30 June 2019 figures. Mineral Resources reduced by 7.9Mt and Ore Reserves reduced by 6.7Mt during the year due to mining depletion and stockpile adjustments.

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

Classification	Cut-off % Fe	Mt	Fe %	CaFe %	SiO ₂ %	Al ₂ O ₃ %	P %	LOI %
Measured – In-situ	50	78.6	57.7	62.6	5.3	3.2	0.19	7.9
Measured – Stockpiles	50	2.8	55.5	59.5	8.3	3.8	0.16	6.8
Indicated – In-situ	50	74.5	58.5	63.0	5.1	3.2	0.17	7.2
Inferred – In-situ	50	26.1	57.8	61.3	6.6	3.9	0.14	5.6
Total at 30 June 2020	50	182.0	58.0	62.6	5.5	3.3	0.17	7.3
<i>Total at 30 June 2019</i>	<i>50</i>	<i>189.9</i>	<i>58.0</i>	<i>62.5</i>	<i>5.5</i>	<i>3.3</i>	<i>0.17</i>	<i>7.2</i>

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

Classification	Cut-off % Fe	Mt	Fe %	CaFe %	SiO ₂ %	Al ₂ O ₃ %	P %	LOI %
Proved – In-situ	54	49.3	58.2	63.1	4.7	3.1	0.19	7.9
Proved – Stockpiles	54	2.8	55.5	59.5	8.3	3.8	0.16	6.8
Probable – In-situ	54	30.2	58.6	63.2	5.0	3.1	0.16	7.3
Total at 30 June 2020	54	82.3	58.2	63.0	4.9	3.1	0.18	7.6
<i>Total at 30 June 2019</i>	<i>54</i>	<i>89.0</i>	<i>58.3</i>	<i>63.0</i>	<i>5.0</i>	<i>3.1</i>	<i>0.18</i>	<i>7.5</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 6% moisture content.
- Stockpiles include 0.2Mt of post-process lump and fines products and 2.8Mt of pre-process ore.

Mineral Resources and Ore Reserves Governance

Iron Valley Mineral Resource and Ore Reserve estimates are completed by or under the guidance of a suitably qualified MIN or independent Competent Person in accordance with JORC [2012] guidelines. 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 that has been compiled by Mr Matthew Watson, who is a full time employee of Mineral Resources Limited and a Member of the Australasian Institute of Mining and Metallurgy. 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 on 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 that has been compiled by Mr Ross Jaine, who is a full time employee of Mineral Resources Limited and a Member of the Australasian Institute of Mining and Metallurgy. 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 on the matters based on his information in the form and context in which they appear.