

ASX Release

1 February 2024



A\$315 MILLION FULLY UNDERWRITTEN EQUITY RAISING LAUNCHED

Highlights

- BCI to raise A\$315 million through an Accelerated Non-Renounceable Entitlement Offer (ANREO) and Placement.
- Proceeds from the Equity Raising are expected to form the final component of equity funding for BCI's base case capital requirements for the 'Salt First' component of the Mardie Project.
- Major shareholders Wroxyby and AustralianSuper have committed to taking up their full entitlements under the Entitlement Offer.
- The Equity Raising is fully underwritten by Canaccord Genuity (Australia) Limited, with AustralianSuper sub-underwriting up to A\$112.5 million of the Retail Entitlement Offer.

BCI Minerals Limited (**BCI** or the **Company**) (ASX: BCI) is pleased to announce that it is undertaking a fully underwritten equity raising to raise A\$315 million (before costs) by way of:

- (a) an accelerated non-renounceable pro-rata entitlement offer to eligible shareholders to raise A\$255 million (before costs) (**Entitlement Offer**) by way of the issue of approximately 1.020 billion fully paid ordinary shares in the capital of BCI (**New Shares**), with each eligible shareholder to be offered 1 New Share for every 1.19094 BCI shares held on the record date at an offer price of A\$0.25 per New Share (**Offer Price**); and
- (b) a placement of New Shares at the Offer Price to sophisticated and professional investors to raise a further A\$60 million (before costs) in two tranches, with the second tranche subject to shareholder approval (**Placement**),

(together, the **Equity Raising**).

The Equity Raising is expected to form the final component of equity funding for the base case capital requirements for the "salt-first" phase of the Mardie Project (being A\$1,287 million plus contingency of A\$156 million).¹ Net proceeds of the Equity Raising will supplement the A\$981 million in project debt finance available for the "salt first" portion of the Mardie Project under the Syndicated Facility Agreement announced by the Company on 20 December 2023. Further detail regarding the Mardie Project and the terms of the Syndicated Facility Agreement (including its equity funding requirements and conditions precedent to drawdown) are set out in the Investor Presentation that was released together with this announcement.

BCI intends to progress final engineering towards a final decision on a sulphate of potash (**SOP**) circuit in 2025. SOP will be refined from waste produced in the salt crystallisation process, and the addition of SOP is projected to be highly accretive to the future investment returns of the project. BCI's current intention is to fund construction of the SOP circuit and ramp up through further debt and/or cash flow from salt production.² Further details, including timing of planned SOP production are also set out in the Investor Presentation that was released together with this announcement.

¹ The base case capital requirements for the entire Mardie Salt and Potash Project are A\$1,421 million plus contingency of A\$208 million, which includes the SOP plant which is not included in the "salt-first" phase.

² There is a risk that BCI does not reach a final decision to proceed with the SOP plant and/or that funding for the SOP plant may not be available when required. In those circumstances a salt-only base case may need to be progressed. Further studies are required to understand the full operational, cost and schedule impact of a salt-only case. However, the Project finance facilities are based on forecast

The Offer Price for the Equity Raising represents a 9.1% discount to the closing price of BCI shares on ASX on 31 January 2024 of A\$0.275 and a 14.0% discount to the 10-day volume weighted average price of shares on ASX up to and including 31 January 2024 of A\$0.2906.

Canaccord Genuity (Australia) Limited (**Canaccord**) has been appointed to act as Global Coordinator, Lead Manager to the Entitlement Offer, Joint Lead Manager to the Placement, Underwriter and Bookrunner to the Equity Raising. Ord Minnett Limited (**Ord Minnett**) has been appointed to act as Joint Lead Manager to the Placement. AustralianSuper Pty Ltd as trustee for AustralianSuper (**AustralianSuper**), one of the Company's existing major shareholders, has agreed to sub-underwrite up to A\$112.5 million of the retail component of the Entitlement Offer (in addition to taking up its full entitlement of approximately A\$37.5 million under the Entitlement Offer).³

Wroxby Pty Ltd (**Wroxby**), the Company's largest shareholder, has also agreed to take up its full entitlement of approximately A\$100 million under the Entitlement Offer.

BCI's Managing Director, David Boshoff said: *"This Equity Raising is intended to complete the total funding package required to enable the Mardie Project to deliver first salt in the second half of 2026. We do not anticipate any further equity raises being required to fund the development of the Project and we are grateful for the strong support shown by our largest shareholders, including Wroxby and AustralianSuper"*.

Further details of the Entitlement Offer and Placement are set out below.

Entitlement Offer

Under the Entitlement Offer, eligible shareholders are invited to subscribe for one (1) New Share for every 1.19094 existing BCI shares held at the record date at the Offer Price of \$0.25 per New Share. The Entitlement Offer is comprised of:

- an accelerated institutional component to be conducted between 1 February 2024 and 2 February 2024 (**Institutional Entitlement Offer**); and
- a retail component which is anticipated to open on 8 February 2024 and close on 26 February 2024 (**Retail Entitlement Offer**).

The record date under the Entitlement Offer is 4.00pm (Perth time) on 5 February 2024 (**Record Date**).

Entitlements are non-renounceable and accordingly cannot be traded on the ASX and are not otherwise transferable. The New Shares to be issued under the Entitlement Offer will rank equally with existing shares on issue in the Company at that time.

Eligible shareholders who do not take up their entitlement under the Entitlement Offer, in full or in part, will not receive any value with respect to those entitlements not taken up.

Institutional Entitlement Offer

Eligible institutional shareholders may be invited to participate in the Institutional Entitlement Offer which opens on 1 February 2024 and closes on 2 February 2024.

Under the Institutional Entitlement Offer, eligible institutional shareholders (being shareholders from Australia, New Zealand and the United Kingdom) (**Eligible Institutional Shareholders**) who are invited

salt revenues only and economic performance is expected to remain sustainable and attractive for the salt-only case, as outlined in the Investor Presentation.

³ Refer to the Appendix to the Investor Presentation for a description of the terms and conditions of the Underwriting Agreement.

to participate in the Institutional Entitlement Offer can choose to take up all, part or none of their entitlement.

New Shares not taken up by Eligible Institutional Shareholders under the Institutional Entitlement Offer will be offered at the Offer Price to Eligible Institutional Shareholders who applied for New Shares in excess of their entitlement under a top-up facility (subject to compliance with applicable laws and the ASX Listing Rules) (**Institutional Top-Up Facility**).⁴

The availability of additional New Shares under the Institutional Top-Up Facility will be limited to those New Shares relating to the entitlements not taken up by Eligible Institutional Shareholders. In the event it is necessary to scale-back applications for additional New Shares then the scale back will be carried out on a pro-rata basis. Any New Shares not allocated to Eligible Institutional Shareholders under the Institutional Entitlement Offer (including under the Institutional Top-Up Facility) will be allocated to certain other institutional investors under a bookbuild process to be managed by Canaccord with the balance to then be allocated to Canaccord (as underwriter) in accordance with the Underwriting Agreement.

Shares in the Company have been placed in a trading halt while the Institutional Entitlement Offer is being undertaken. It is expected that the trading halt will end at market open on 5 February 2024.

New Shares under the Institutional Entitlement Offer are expected to be issued on 8 February 2024. The Company will, upon issue of the New Shares under the Institutional Entitlement Offer, seek quotation of the New Shares on ASX.

Retail Entitlement Offer

Eligible retail shareholders with a registered address in Australia or New Zealand as at 4.00pm on the Record Date (**Eligible Retail Shareholders**) will have the opportunity to take up their entitlement to New Shares at the Offer Price, on the terms and conditions outlined in the Retail Offer Booklet to be sent to Eligible Retail Shareholders on or around 8 February 2024. The Retail Entitlement Offer is anticipated to close on 26 February 2024.

Eligible Retail Shareholders can choose to take up all, part, or none of their entitlements. Furthermore, the Retail Entitlement Offer will include a top up facility under which Eligible Retail Shareholders who take up their entitlement in full may also apply for additional New Shares in the Retail Entitlement Offer that were not taken up by other Eligible Retail Shareholders (subject to compliance with applicable laws and the ASX Listing Rules) (**Retail Top-Up Facility**). There is no guarantee that applicants under the Retail Top-Up Facility will receive all or any of the additional shares for which they apply.

The availability of additional New Shares under the Retail Top-Up Facility will be limited to those New Shares relating to the entitlements not taken up by Eligible Retail Shareholders. In the event it is necessary to scale-back applications for additional New Shares then the scale back will be carried out on a pro-rata basis. Any New Shares not allocated to Eligible Retail Shareholders under the Retail Entitlement Offer (including under the Retail Top-Up Facility) will be allocated to Canaccord (as underwriter) in accordance with the Underwriting Agreement. As noted below, AustralianSuper has agreed to sub-underwrite up to A\$112.5 million of the underwriting commitment under the Retail Entitlement Offer.

New Shares under the Retail Entitlement Offer are expected to be issued on 4 March 2024. The Company will, upon issue of the New Shares under the Retail Entitlement Offer, seek quotation of the New Shares on ASX.

Shareholders with a registered address outside Australia or New Zealand on the Record Date are ineligible to participate in the Retail Entitlement Offer.

⁴ Wroxy and AustralianSuper will not participate in the top-up facilities under the Entitlement Offer.

Nominee

In accordance with section 615 of the *Corporations Act 2001* (Cth), BCI has appointed Canaccord Genuity (Australia) Limited as its ASIC-approved nominee (the **Nominee**) to arrange for the sale on ASX (or otherwise) of the New Shares which represent the full entitlement of ineligible shareholders (**Sale Shares**). The Nominee will be required to direct the net proceeds (if any, after deduction of the Offer Price, and costs of sale including brokerage and commission) to the Company's share registry to facilitate pro rata payments of any net proceeds to such ineligible shareholders. Notwithstanding that the Nominee may sell Sale Shares, ineligible shareholders may nevertheless receive no net proceeds if the Offer Price plus the selling fees is greater than the sale proceeds.

Major shareholder and director support

As described above, both Wroxby and AustralianSuper have agreed to take up their full entitlements under the Entitlement Offer (totalling approximately A\$137.5 million in aggregate), and AustralianSuper has also agreed to sub-underwrite up to A\$112.5 million of the Retail Entitlement Offer. Please refer to the Company's cleansing notice released to ASX today in relation to the potential control effects of the Entitlement Offer.

A number of directors of BCI (who are shareholders and who are eligible to participate), have indicated that they intend to participate in the Entitlement Offer. BCI's Chairman, Brian O'Donnell, intends to take up his full entitlement of 1,065,102 New Shares, via his superannuation fund, which is an existing BCI shareholder.

Placement

As mentioned above, the Placement is fully underwritten by Canaccord. Key details of the Placement are as follows:

Description	Number of New Shares to be issued*	Funds to be raised*
Tranche 1	190 million	A\$47.5 million
Tranche 2	50 million	A\$12.5 million
Total	240 million	A\$60 million

**Subject to settlement occurring and shareholder approval being obtained for Tranche 2.*

New Shares to be issued under Tranche 1 of the Placement will be issued out of the Company's existing 15% placement capacity which has been upsized by a 'supersize' placement waiver granted by ASX. New Shares to be issued under Tranche 2 of the Placement will be issued subject to shareholder approval being obtained at an extraordinary general meeting to be held in March 2024 (**EGM**). The Company will despatch a notice of meeting for the EGM shortly.

Each of Richard Court, Miriam Stanborough and David Boshoff, being Directors of the Company, have indicated an intention to subscribe (either directly or through an associated entity) for New Shares under Tranche 2 of the Placement and any issue of New Shares to those Directors (or their associates) under the Placement will be subject to shareholder approval at the EGM.

The Directors reserve the right to increase the size of Tranche 2 of the Placement depending on the level of demand indicated through the Placement bookbuild process. If Tranche 2 of the Placement is increased, the additional New Shares to be issued will be subject to shareholder approval. The Company will release a separate announcement to ASX if this occurs.

Equity Raising Indicative Timetable

Timing (Perth Time)	Event
1 February 2024	Trading halt
1 February 2024	Announcement of Equity Raising
1 February 2024	Institutional Entitlement Offer opens
2 February 2024	Institutional Entitlement Offer closes
5 February 2024	Announcement of results of Institutional Entitlement Offer Trading halt lifted
4.00pm, 5 February 2024	Record Date for Entitlement Offer
8 February 2024	Conversion of AusSuper, Wroxby and Ryder Notes (Except for Series 1 & 3)
8 February 2024	Issue of New Shares under Institutional Entitlement Offer and Tranche 1 of the Placement
8 February 2024	Retail Entitlement Offer Opens (Retail Entitlement Offer Booklet despatched)
5:00pm, 26 February 2024	Retail Entitlement Offer Closes
4 March 2024	Issue of New Shares under Retail Entitlement Offer
5 March 2024	New Shares under Retail Entitlement Offer commence trading on ASX
6 March 2024	Despatch of holding statements under Retail Entitlement Offer
14 March 2024	EGM for Tranche 2 of the Placement
19 March 2024	Settlement of Tranche 2 of the Placement and issue of New Shares under Tranche 2

Indicative only and subject to change.

Conversion of existing convertible notes

In addition to the Equity Raising, it is proposed that:

- (a) all 2023 convertible notes (in each case, with an aggregate face value of A\$30 million plus capitalised interest) issued to each of Wroxby and AustralianSuper on 10 July 2023 will convert into BCI shares; and
- (b) all 2023 convertible notes (with an aggregate face value of A\$25 million plus capitalised interest) issued to Ryder Capital Ltd and an associated entity, Ryder Capital Management Pty Ltd, on 20 October 2023 will convert into BCI shares,

in accordance with the terms of the relevant convertible note documents.

Conversion of these notes will satisfy the Company's repayment and interest obligations under those convertible note agreements.⁵ Conversion is expected to occur on 8 February 2024.

-END-

This ASX announcement has been authorised for release by the Board of BCI Minerals Limited.

For further information:

Rika Potter
BCI Minerals – Communications and Engagement Advisor
T: +61 424 328 223
E: communications@bciminerals.com.au

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 its initial focus.

BCI is developing its 100% owned Mardie Salt & Potash Project, a potential Tier One project located on the Pilbara coast in the centre of Western Australia's key salt production region. Mardie has been designed to produce approximately 5Mtpa of high-purity salt (>99.5% NaCl) and 140ktpa of Sulphate of Potash (SOP) (>52% K₂O) via solar evaporation of seawater. Main construction of the Mardie Project commenced in early 2022. 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 a substantial shareholding in Agrimin Limited (ASX: AMN) and potential royalties and/or deferred payments from iron ore projects at Koodaideri South, Bungaroo South, Kumina and Nullagine.

KEY STATISTICS

Shares on issue:	1,214.8M	
Cash in bank:	\$99.6M	As at 31 December 2023
Board:	Brian O'Donnell	Non-Executive Chairman
	David Boshoff	Managing Director
	Gabrielle Bell	Non-Executive Director
	Richard Court	Non-Executive Director
	Garret Dixon	Non-Executive Director
	Chris Salisbury	Non-Executive Director

⁵ Conversion will occur immediately prior to the issue of shares under the Institutional Entitlement Offer and Tranche 1 of the Placement. 139,534,884 convertible notes (with ASX code BCI AW) issued to Wroxby Pty Ltd and AustralianSuper Pty Ltd as trustee for AustralianSuper on or about 10 July 2023 will (assuming a conversion date of 8 February 2024) be converted into 295,076,892 shares. 58,139,535 convertible notes (with ASX code BCI AW) issued to Ryder Capital Pty Ltd and Ryder Capital Management Pty Ltd on or about 20 October 2023 will (assuming a conversion date of 8 February 2024) convert into 114,580,565 shares. The Series 1 and Series 3 convertible notes held by AustralianSuper Pty Ltd as trustee for AustralianSuper will not convert and will remain on issue in accordance with their terms.

Miriam Stanborough Non-Executive Director
Stephanie Majteles Company Secretary

Major shareholders:

Wroxby Pty Ltd	39.2%
AustralianSuper Pty Ltd	14.7%
Ryder Capital Ltd (and related)	9.9%

Website: www.bciminerals.com.au

FORWARD LOOKING STATEMENTS

This announcement 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 announcement and are expressed in good faith. BCI believes that the expectations reflected in such forward-looking statements are reasonable. However, these expectations and forward-looking statements are only predictions and are subject to risks, uncertainties and other factors 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 announcement or its attachments. Except for statutory liability which cannot be excluded, BCI, its officers, employees and advisors expressly disclaim any responsibility for the accuracy or completeness of the material contained in these forward-looking statements and excludes all liability (including in negligence) for any loss or damage which may be suffered by any person as a consequence of any information in forward-looking statements or any error or omission.

NOT FOR RELEASE TO US WIRE SERVICES OR DISTRIBUTION IN THE UNITED STATES

This announcement has been prepared for publication in Australia and may not be released to US wire services or distributed in the United States. This announcement does not constitute an offer to sell, or a solicitation of an offer to buy, securities in the United States or any other jurisdiction. Any securities described in this announcement have not been, and will not be, registered under the US Securities Act of 1933 and may not be offered or sold in the United States except in transactions exempt from, or not subject to, the registration requirements of the US Securities Act and applicable US state securities laws.