



# FY24 Full Year Results

23 August 2024

BCI Minerals Ltd (ASX: BCI) (**BCI** or **the Company**) is pleased to share its financial results and corporate update for the year ended 30 June 2024 (**FY24**).

## Key Performance Metrics

	FY24	FY23
Total Recordable Injury Frequency Rate	6.4	4.1
Cash and cash equivalents	\$259M	\$109M
Available Project Facilities	\$981M	\$0M
Cumulative Expenditure <sup>1</sup>	\$690M	\$369M
Net Assets	\$805M	\$431M
Overall Project Progress <sup>2</sup>	44%	25%

<sup>1</sup> Cumulative expenditure on Mardie of \$690M is inclusive of \$569M in capital expenditure and \$121M in indirect costs.

<sup>2</sup> The base case capital requirements of the salt first phase of the Mardie Project are \$1,287M plus a contingency of \$156M.

**“Our achievements this year are a testament to the dedication and resilience of our exceptional team, underscoring an unwavering commitment to safety and operational excellence. We are confident that the Mardie Project will deliver enduring benefits to shareholders, employees, contractors, local communities, government, and all stakeholders for generations.**

**In the upcoming financial year, we will target key milestones, ensuring construction stays on schedule and within budget as we embark on an exciting transition to production.”**



**David Boshoff**  
Managing Director

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BCI Minerals is a values-driven company developing sustainable minerals for the modern world. Through financial year 2024, the Company continued developing the Mardie Salt and Potash Project (Mardie Project), which is on track to become Australia’s largest solar salt project and the third largest globally.

BCI Minerals prioritises facilitating a safe working environment for all employees and contractors. In FY24, the Company increased its focus on verifying the effectiveness of critical controls, emphasising lead safety indicators and incident prevention programs, and implementing controls for psychosocial hazards. Together with the management team and contract partners, BCI Minerals designed a revised approach to leadership in the field. This approach leans on the Du Pont ‘Felt Leadership’ model, which involves influencing behaviour, attitudes, relationships and systems.

The Company continues to monitor the Total Recordable Injury Frequency Rate as a lag indicator, which was 6.4 at year end. With the growth in construction activities, BCI Minerals is increasingly mindful of additional health and safety challenges. However, a relentless focus on health and safety will continue.

In this coming financial year, BCI Minerals looks forward to commencing operations whilst still completing the construction of the Mardie Project.

### **The Mardie Salt and Potash Project**

The Company acknowledges the engagement with all levels of Government to support the delivery of this Project, which will generate substantial tax, royalty, and industry development benefits for Australia for generations. As previously disclosed, the Commonwealth Government provided notice that it proposes to grant environmental approval for the Optimised Mardie Project. Based on Commonwealth Government representations in early August we expect environmental approvals in Q1 FY25.

At 30 June 2024, the salt-first component of the Project was 44 per cent complete with \$218M spent in FY24 on construction, bringing the total capital investment to \$569M. Notably, forecast construction costs remain in line with the June 2023 base case.

Key construction milestones include the completion of essential road infrastructure, such as the North-West Coastal Highway intersection and Mardie Road. This enabled the delivery of over 100,000 tonnes of rock armour, a crucial element in forming the embankments that will strengthen the evaporation pond walls and ultimately allow these ponds to be filled with seawater. Rock placement on ponds 1-3, including the gas pipeline corridor, was completed in FY24. Another 100,000 tonnes of rock is expected in FY25 for ponds 6-9, with construction on ponds 6 and 7 already underway.

Transfer station 2/3 was also completed, pending wet commissioning with seawater. Construction at transfer station 3/4 progressed with completed mechanical works and ongoing electrical installations. Civil works at transfer station 5/6 included excavations and pre-cast footings installation, while transfer station 6/7 saw the completion of pump retaining walls, transfer pipe installation, and switch room footings. These stations are crucial for moving brine between ponds.

Construction of the Primary, Secondary, and KTMS crystallisers began in FY24 and surpassed 10 per cent completion by 30 June 2024. The marine package reached 66 per cent completion, with the jetty extending over 2km of its 2.4km length. Piles from Bent J1 to J73 have been driven, headstocks welded, and the primary steelwork for the roadways installed.

The Company continued engineering and design works, focusing on the brine circuit. Specifically, it completed pilot testing and front-end engineering design for the salt-wash plant and stockyards. BCI Minerals also commenced work to optimise the secondary sea water intake and pump station design to reduce capital costs and enhance constructability.

FY24 was a year of significant achievement in relation to funding. In December 2023, the Company signed the \$981M project finance facility documents<sup>3</sup> with the Northern Australia Infrastructure Facility, Export Finance Australia, Export Development Canada, Westpac and the Industrial and Commercial Bank of China. The Company continues to work towards satisfying the Conditions Precedent for the drawdown of these facilities, which is expected to occur during FY25.

In addition to the project finance, BCI Minerals also completed a \$315M equity raising<sup>4</sup>. The Company appreciates the strong support of all participants in this issue, including the Australian Capital Equity Group, AustralianSuper and Ryder Capital.

Marking a major milestone, BCI Minerals signed its largest project contract to date: a 21-year, \$598M transshipment services agreement with CSL Australia Pty Ltd<sup>5</sup>. Transshipment provides the Company with a strategic advantage by providing direct and cost-effective access to key markets by loading ocean-going vessels up to Newcastle Max size. Together with CSL, BCI Minerals expects to be well-positioned to meet market demand efficiently and sustainably.

The Company's marketing strategy remains focused on executing offtake agreements that deliver the binding minimum annual quantities necessary to meet our debt arrangements. Through FY24, the Company progressed key agreements with prominent Chinese (Wanhua Chemical)<sup>6</sup> and Indonesian (Chandra Asri)<sup>7</sup> counterparties. BCI Minerals continues negotiations with other interested trading companies in the Asian Market and is advancing negotiations with a major trading house to progress an agreement for the Japan, Korea and Taiwan salt markets.

These agreements will ensure stable revenue streams as Asian salt consumption is projected to grow by 22 per cent by 2030<sup>8</sup>, particularly in the chemical and manufacturing sectors. With this strong demand in Asian markets and robust long-term price prospects, the Mardie Project is poised to become a significant contributor to the global salt industry.

In recognition of the important role the local community plays in the Company's progress, BCI Minerals continued its focus on partnerships that foster strong, mutually beneficial relationships. Through FY24 the Company spent over \$24M with a range of Pilbara businesses and more than \$13M with Indigenous businesses. The relationship with Mardie Traditional Owners also continues to grow as BCI Minerals remains committed to maximising Indigenous employment and contracting opportunities. The Company awarded several contracts to the Wirrawandi Aboriginal Corporation and Robe River Kuruma People and saw the 'Reflect' Reconciliation Action Plan endorsed.

<sup>3</sup> Refer to ASX Announcement dated 20/12/23 titled "Project Finance Updated: Syndicated Facility Agreement for the Mardie Project Finance Debt Completed"

<sup>4</sup> Refer to ASX Announcement dated 01/02/24 titled "A\$315M Fully Underwritten Equity Raising Launched"

<sup>5</sup> Refer to ASX Announcement dated 01/07/24 titled "Transshipment Vessel Contract Signed"

<sup>6</sup> Refer to ASX Announcement dated 29/01/24 titled "December 2023 Quarterly Activities Report"

<sup>7</sup> Refer to ASX announcement dated 21/03/24 titled "BCI Signs Binding Salt Offtake Agreement"

<sup>8</sup> Wood Mackenzie: Independent Salt Market Report developed for BCI Minerals (May 2023)

## Iron Valley

As announced in June 2024<sup>9</sup>, the Company entered into a binding agreement with Polaris Metals Pty Ltd, a wholly owned subsidiary of Mineral Resources Limited, to sell its Iron Valley assets, for a total maximum potential consideration of \$72.6M. The sale was completed on 2 July 2024, and BCI Minerals received \$26M<sup>10</sup>.

A deferred payment of \$34.1M is to be paid during July 2025 and BCI Minerals will receive a \$12.5M contingent payment on Polaris (or a successor in title) commencing mining at the Iron Valley North Pit. This transaction is aligned with the Company's strategic objective to develop an industrial minerals business with salt and SOP as its initial focus and create value for shareholders, simplify operations, and strengthen the focus on the Mardie Project.

During the financial year, Iron Valley segment generated revenue for BCI Minerals of \$68.5M (June 2023: \$61.0M) and EBITDA of \$35.4M (June 2023: \$30.7 million). From the first shipment of ore to 20 June 2024, Iron Valley has generated revenue of \$641M and paid royalties totalling \$403M.

### -ENDS -

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

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<sup>9</sup> Refer to ASX Announcement dated 14/06/24 titled "Sale of Iron Valley"

<sup>10</sup> Refer to ASX Announcement dated 02/07/24 titled "Completion of Sale of Iron Valley"



## 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\* (>52% K<sub>2</sub>O) via solar evaporation of seawater. Main construction of the Mardie Project commenced in early 2022.

(ABN 21 120 646 924)

\*FEED studies are currently underway to understand the full operational flowsheet, cost and schedule.



## FORWARD-LOOKING STATEMENTS

This announcement contains forward-looking statements. These forward-looking statements are based on BCI Minerals' current expectations and beliefs concerning future events at the date of this announcement and are expressed in good faith. BCI Minerals 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 that 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 Minerals 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 Minerals, 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.