

## HIGHLIGHTS

### NULLAGINE IRON ORE PROJECT (Pilbara, WA – 100% BCI)

#### Further Increases in High Quality DSO Resources

- Upgraded Measured, Indicated and Inferred DSO resource inventory of 50.7Mt grading 57.0% Fe (64.8% CaFe)
- New resource estimate includes maiden DSO resource for Bonnie East of 8.3Mt grading 57.0% Fe (64.9% CaFe)
- Total Channel Iron Deposit (CID) Mineral Resource now stands at 89.1Mt grading 54.1% Fe (61.9% CaFe)
- DSO contains low contaminants and is considered to have high 'Value in Use'

#### Long-term Off-take Agreement

- Off-take Agreement signed with Australian-based metals trading and investment house Tennant Metals
- Tennant Metals to act as agent and/or principal in the FOB sale of 25% of BC Iron's future iron ore production (commencing at 1.5Mtpa)
- Arrangement reduces counter-party risk to BC Iron – payment to be made immediately on delivery of ore, through an Australian financial institution
- Off-take commencing from start up of production in 2010 for at least five years
- Tennant Metals is a privately owned, Australian-based strategic metals trading and investment house

#### Feasibility Study

- Feasibility Study for Bonnie Creek CID Project progressing on schedule and expected to be completed by 1H09
- Mining and associated miscellaneous leases applied for and Mining Proposal due for submission to DMP during April

## CORPORATE

- Strong financial position with approximately \$3.9M in cash at the end of the Quarter

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## OVERVIEW

During the March 2009 Quarter, BC Iron Limited (ASX: BCI – “BC Iron”) again made significant progress towards the commencement of production at the Company’s 100%-owned Nullagine Iron Ore Project in Western Australia’s Pilbara region.

Underpinning the Company’s transition into production is the on-going Definitive Feasibility Study, which has been the priority for the Company since the definition of a maiden resource in 2008. BC Iron anticipates having the Feasibility Study completed at the end of the June Quarter 2009.

In parallel with the ongoing Feasibility Studies, BC Iron, in conjunction with its independent consultant, Golder Associates, completed an updated geological model and resource estimate during the Quarter. Based on this modelling, the Company increased its high-quality Direct Shipping Ore (DSO) resource base to **50.7 Mt grading 57.0% Fe (64.8% calcined Fe or CaFe)**.

As previously reported, BC Iron has developed an ore processing model whereby ore crushing and screening would be conducted ‘in pit’ using a mobile crushing plant. Ore would then be hauled by road to the nearby mine infrastructure operations owned by The Pilbara Infrastructure Pty Ltd (TPI) with whom the Company has a Memorandum of Understanding for rail haulage and ship loading services. TPI is wholly owned by Fortescue Metals Group Limited.

Negotiations for rail haulage and port access are continuing with Fortescue. Following execution of a suitable binding arrangement, the Company will be capable of transporting its ore to Port Hedland, 260km to the north west, for export – positioning it to rapidly transform the project into production and cash flow.

## RESOURCE UPGRADE – BONNIE CREEK CID PROJECT

Subsequent to the end of the Quarter, BC Iron completed an updated resource estimate providing an upgrade to its inventory of high-quality Direct Shipping Ore (DSO) at Bonnie Creek. The Company’s resource now totals **50.7 Mt grading 57.0% Fe (64.8% calcined Fe or CaFe)**. This is contained within an updated global resource totalling **89.1 Mt grading 54.1% Fe (61.9% CaFe)** of mineralised Channel Iron Deposit (CID).

The new resource includes a maiden Inferred Resource Estimate for Bonnie East of 8.3 Mt grading 57.0% Fe (64.9% CaFe) of high-grade DSO and 13.9Mt grading 55.1% Fe (62.6% CaFe) of mineralised CID, based on the results of successful drilling programs completed during 2008.

During resource modelling for Bonnie East, improvements were made to the resource modelling and estimation methods in representing the edges of the Channel Iron. These were subsequently applied to the previously reported resource estimates for Outcamp Well, Warrigal Well and Coongan Well (totalling 46.2 Mt grading 57.0% Fe or 64.7% CaFe as reported to the ASX on 8 January 2009). This development has resulted in a reduction of 3.8 million tonnes or 8%, across these three deposits from the January 2009 resource announcement, however average grade and contaminant levels remain as previously reported.

## UPDATED RESOURCE INVENTORY

The updated Mineral Resource Estimate (Tables 1 and 2; Appendix 1) is based on data collated and interpreted by BC Iron personnel. The block models were prepared and estimated by Golder Associates using the revised modelling assumptions outlined in Appendix 1. The resource was estimated in accordance with the guidelines of the Australasian Code for the Reporting of Exploration Results, Mineral Resources and Ore Reserves (JORC Code 2004).

**Table 1 – Mineral Resource Estimate for DSO, Bonnie Creek CID Project**

Resource Class	Mt	Fe	CaFe	SiO2	Al2O3	S	P	LOI1000
Measured	1.7	57.0	64.8	3.49	2.15	0.016	0.018	12.0
Indicated	38.6	57.0	64.7	3.15	2.09	0.011	0.016	12.0
Inferred	10.4	57.0	64.8	3.27	2.00	0.010	0.013	12.1
<b>TOTAL</b>	<b>50.7</b>	<b>57.0</b>	<b>64.8</b>	<b>3.19</b>	<b>2.07</b>	<b>0.011</b>	<b>0.015</b>	<b>12.0</b>

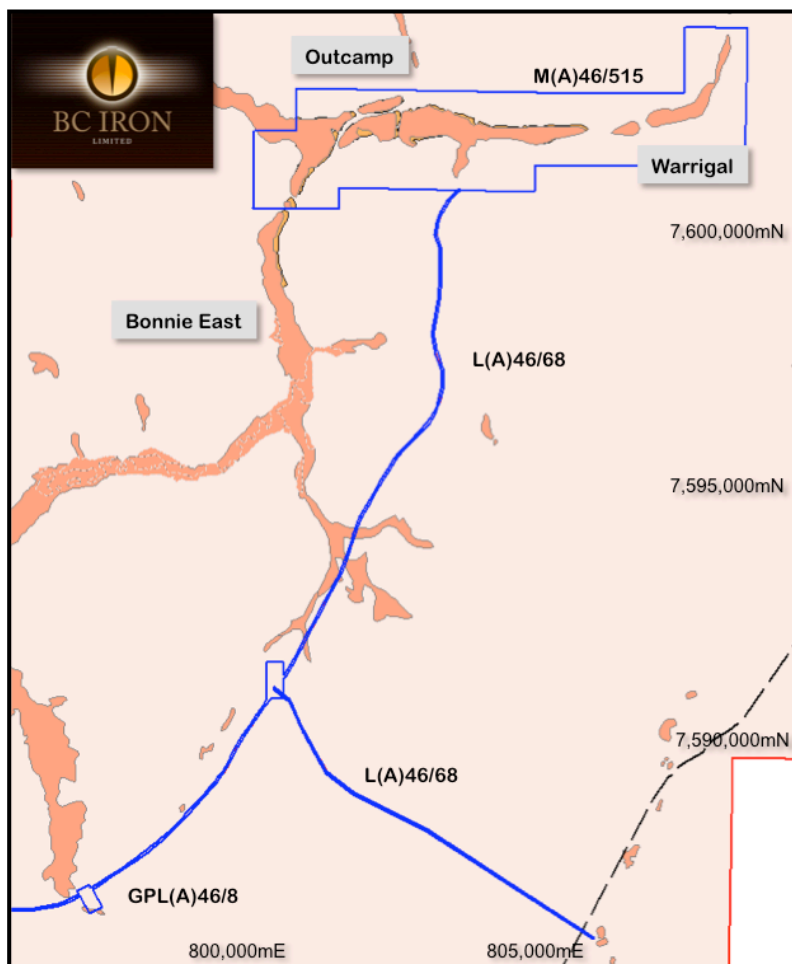
**Table 2 – Mineral Resource Estimate for Mineralised CID, Bonnie Creek CID Project**

Resource Class	Mt	Fe	CaFe	SiO2	Al2O3	S	P	LOI1000
Measured	2.2	54.5	62.1	4.94	3.65	0.017	0.018	12.1
Indicated	68.8	54.0	61.8	4.48	3.08	0.011	0.017	12.7
Inferred	18.1	54.7	62.3	4.27	2.85	0.018	0.013	12.1
<b>TOTAL</b>	<b>89.1</b>	<b>54.1</b>	<b>61.9</b>	<b>4.45</b>	<b>3.05</b>	<b>0.013</b>	<b>0.016</b>	<b>12.6</b>

## DEFINITIVE FEASIBILITY STUDY

BC Iron's Definitive Feasibility Study into a low capital cost, 1.5Mtpa start-up/ 3Mtpa ramp-up project development option for the Nullagine Project is continuing on schedule and is still targeted for completion in the first half of 2009.

Tenders were let during the quarter for the major village, mining and construction contracts for the Project and are due during April and May.



Assuming a successful outcome from continuing discussions with Fortescue Metals Group regarding rail haulage, port and ship loading services, preliminary estimates have indicated that the 1.5-3.0 Mtpa development scenario would have an approximate capital cost of A\$35-50 million with operating costs on the order of \$40 - \$45/t FOB.

During the Quarter, applications were submitted for the Mining Lease and associated miscellaneous leases (ML(A)46/515, L(A)46/68-69 and GPL(A)46/8) and the Company submitted a Mining Proposal to the Department of Mines and Petroleum during April.

*Figure 1: Location Plan of major deposits and development lease applications.*

Discussions with the Palyku Native Title Claim Group have commenced with a view to reaching a suitable Native Title Agreement.

On this basis, and subject to finalising an acceptable haulage and port agreement, it is conceivable for the Company to be in construction at Nullagine by the end of this year.

## MARKETING

In February this year BC iron announced that it had entered into a long-term off-take agreement for 25% of future iron ore production from the Nullagine Iron Ore Project with Tennant Metals Pty Ltd, an Australian-based, specialist metals trading and investment house).

Under the arrangement, Tennant Metals will act as Principal and/or agent for the Free on Board (FOB) purchase of 25% of iron ore produced at Nullagine for a minimum five year period from the commencement of production anticipated to be in early 2010. Mechanisms are in place for Tennant to earn a further 25% of production off-take.

The price of the ore will be referenced to the long-term benchmark iron ore price, with appropriate adjustments for the premium quality nature of Nullagine iron ore. Sinter test work carried out independently in China during 2007 by a large steel company determined that BC Iron's fines ore can be categorised as 'First Class' in terms of its sintering characteristics which are summarized in Table 3.

**Table 3 : Selected Test Results – Sintering testwork, China**

Product	Tumble Index (%)	RI	RDI+3.15 (% at 500C)	FeO(%)	TFe(%)	Yield (%)	Productivity (t/m <sup>2</sup> /h)
China Base Blend	63.8	88.5	58.2	6.6	58.5	67.3	1.05
10% BC Iron	67.6	82.3	70.7	8.1	59.6	77.3	1.25
20% BC Iron	66.7	79.8	67.7	8.3	58.1	75.9	1.37
30% BC Iron	62.2	80.8	77.8	6.8	57.4	73.7	1.48
<b>Specification Thresholds for "First Grade Standard" (YB/T421-92)</b>							
Specifications	> 66	> 65	> 60	< 12		>65	

When compared against the Base Blend, where no BC Iron DSO was introduced, these results demonstrate that BC Iron's DSO product adds value to the final sinter product by enhancing sinter quality thus differentiating BC Iron's product in the market place. Furthermore, the test work highlighted the ultra-low phosphorus levels in BC Iron's ore increasing its Value-in-Use rating.

The agreement with Tennant Metals represents the first third party off-take agreement entered into by BC Iron and marks a further significant milestone for the Company towards development of the Nullagine Project.

As part of the off-take agreement, Tennant have the opportunity to increase their share by achieving particular milestones. However, BC Iron is currently also in direct discussions with other interested parties and are reviewing these offers on a case-by-case basis.

Tennant metals is a well-established and highly respected Australian-based trading and investment house specialising in the physical merchanting of a range of refined metals, ores, concentrates and metallurgical bulk commodities globally. The Company is one of Australia's oldest metals trading houses and was originally part of Tennant Limited, which was established in 1966 as a trading subsidiary of the Renison Gold Fields Group.

## **COMMUNITY**

BC Iron is committed to generating long-term employment opportunities in the Pilbara region and has begun investigating the possibility of running a 'bus in – bus out' style of employment to promote opportunities in local regional communities including Marble Bar, Nullagine, Jiggalong and Newman.

The Company is in discussions with the Australian Employment Covenant and supports its pledge to provide real indigenous employment opportunities in the Pilbara and across Australia.

The potential development of the Nullagine Project would generate around 100 new jobs, contribute around \$175 million in royalties over the life of the project and generate significant new investment and other opportunities in the region.

**Mike Young**  
**Managing Director**  
**BC Iron Limited**

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## About BC Iron Limited

BC Iron Limited (ASX: BCI) is an emerging iron ore producer focused on Western Australia's world-class Pilbara region. The Company's core asset is the 100%-owned Nullagine Project, an extensive tenement portfolio which is strategically located 140km north of Newman and 35 km north of Fortescue Metals Group's Chichester Operation.

The Nullagine Iron Ore Project hosts a Direct Shipping Ore (DSO) resource of 50.7Mt @ 57% Fe (64.8% Fe) within an overall Channel Iron Deposit (CID) resource of 89.1Mt @ 54.1% Fe. BC Iron's competitive advantage is that the Nullagine resource comprises an outcropping, low-contaminant "first class" sinter feed that is located close to accessible infrastructure.

A Definitive Feasibility Study is currently underway and is examining the prospect of commencing commercial operations at the Nullagine Iron Ore Project in 2010. The DFS is scheduled for completion during the June Quarter 2009.

Subject to the execution of a rail haulage or access agreement with Fortescue, the Company will be capable of transporting its ore to Port Hedland, 260km to the north west, for export – positioning it to rapidly transform the project into production and cash flow.

The Company has recently entered into a long-term off-take agreement for 25% of future iron ore production from the project with Australian company Tennant Metals Pty Ltd.

While still subject to ongoing work, BC Iron's estimated capital expenditure requirement for the mine development is approximately A\$35-50 million with a forecast operating cost of approximately A\$40-45/tonne. The operation is scheduled for commissioning in early 2010 at an initial rate of 1.5Mtpa, ultimately ramping up to 5Mtpa.

## Key Statistics

<b>Shares on Issue:</b>	59.4 million
<b>Cash:</b>	March 31, 2009 - \$3.9 M
<b>Board and Management:</b>	Tony Kiernan – Chairman Mike Young – Managing Director Garth Higgo – Non-Executive Director Terry Ransted – Non-Executive Director Steven Chadwick – Non-Executive Director
<b>Major Shareholders:</b>	Consolidated Minerals 26% Alkane Resources Ltd 15% UBS Wealth Management Aus. Nom. 5%

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### Resource Statement – Outcamp, Warrigal, and Coongan (Table 4 and 5)

Golder Associates completed the resource estimate of the Outcamp, Warrigal and Coongan Channel Iron Deposits at the Nullagine Project in the Pilbara, on behalf of BC Iron. The resource estimates are based on all available assay data as of 17 December 2008. Since the scoping-level resource estimation work completed earlier in 2008, BC Iron has completed significant additional infill drilling to 100m x 50m spacing and a minor number of holes at 50m x 50m spacing.

The resource estimate was classified in accordance with the Australasian Code for the Reporting of Identified Mineral Resources and Ore Reserves (JORC Code, 2004). Golder geologists, based principally on data density, geological confidence criteria and representativeness of sampling, did classification of the resource estimate.

#### Assumptions and Methodology

This Mineral Resource estimate is based on a number of factors and assumptions some of which are as follows:

- All of the available drilling data was used for the Mineral Resource estimation.
- Assays were obtained predominantly from reverse circulation drill samples with some diamond core on 1 m intervals. None of the drill holes in the mineralised zones encountered water.
- Sample preparation and assays were conducted at Ultratrace and Genalysis Laboratories, in Perth, Western Australia.
- The CID was modelled based on geological logging guided by using Fe and Al<sub>2</sub>O<sub>3</sub> assays. The DSO domains within the CID were modelled based on a cut-off grade of 55% Fe in three dimensions. These domains were used to define geological zones that were used to flag the sample data for statistical analysis and estimation.
- Golder completed a review of the QAQC data. The QAQC program included company standards, and field duplicates submitted at a rate of about 1% of all assayed samples. No discrepancies were identified.
- Average Dry Bulk Density was determined using measurements on drill core for each geological domain and individual CID prospect and average densities were then assigned to each domain in the block models.
- The Ordinary Kriging (OK) interpolation method was used for resource estimation of Fe, SiO<sub>2</sub>, Al<sub>2</sub>O<sub>3</sub>, P, S, LOI, CaO, K<sub>2</sub>O, Mg, Mn, Na<sub>2</sub>O and Cu.
- Calcined Fe (CaFe) is calculated using the formula  $CaFe = Fe / (100 - LOI) * 100$
- The DSO resource is a subset of the CID resource.
- CID grades are reported using a block cut-off grade of 45% Fe. DSO Grades are reported using variable Fe cut-off grades to achieve a 57.0 % Fe specification grade. No other specification grades are applied.

### Resource Statement – Bonnie East

BC Iron completed the resource estimate of the Bonnie East Channel Iron Deposits at the Nullagine Project in the Pilbara. The resource estimates are based on all available assay data as of 17 December 2008.

The resource estimate was classified in accordance with the Australasian Code for the Reporting of Identified Mineral Resources and Ore Reserves (JORC Code, 2004) and is based principally on data density (200m x 100m), geological confidence criteria and representativeness of sampling.

#### Assumptions and Methodology

This Mineral Resource estimate is based on a number of factors and assumptions some of which are as follows:

- All of the available drilling data was used for the Mineral Resource estimation.
- Assays were obtained from reverse circulation drill samples on 1 m intervals. None of the drill holes in the mineralised zones encountered water.
- Sample preparation and assays were conducted at Ultratrace and Genalysis Laboratories, in Perth, Western Australia.
- The CID was modelled based on geological logging guided by using Fe and Al<sub>2</sub>O<sub>3</sub> assays. The DSO domains within the CID were modelled based on a cut-off grade of 55% Fe in three dimensions. These domains were used to define geological zones that were used to flag the sample data for statistical analysis and estimation.
- During the modelling of Outcamp, Warrigal and Coongan, Golder completed a review of the QAQC data. The QAQC program included company standards, and field duplicates submitted at a rate of about 1% of all assayed samples. No discrepancies were identified.
- Average Dry Bulk Density was assigned to each domain in the block models based on density data from the adjacent Outcamp Deposit.
- The Inverse Distance interpolation method was used for resource estimation of Fe, SiO<sub>2</sub>, Al<sub>2</sub>O<sub>3</sub>, P, S,

LOI, CaO, K<sub>2</sub>O, Mg, Mn, Na<sub>2</sub>O and Cu.

- Calcined Fe (CaFe) is calculated using the formula  $CaFe = Fe / (100 - LOI) * 100$
- The DSO resource is a subset of the CID resource.
- CID grades are reported using a block cut-off grade of 45% Fe. DSO Grades are reported using variable Fe cut-off grades to achieve a 57.0 % Fe specification grade. No other specification grades are applied.

**Table 4 – Mineral Resource Estimate for DSO, Bonnie Creek CID**

**DSO Mineral Resource - Outcamp Well**

Res Cat	Mt	Fe	CaFe	SiO <sub>2</sub>	Al <sub>2</sub> O <sub>3</sub>	S	P	LOI <sub>1000</sub>
Measured	1.7	57.0	64.8	3.49	2.15	0.016	0.018	12.0
Indicated	18.7	57.0	64.8	3.08	2.01	0.009	0.013	12.1
Inferred	-	-	-	-	-	-	-	-
<b>TOTAL</b>	<b>20.4</b>	<b>57.0</b>	<b>64.8</b>	<b>3.11</b>	<b>2.02</b>	<b>0.010</b>	<b>0.013</b>	<b>12.1</b>

**DSO Mineral Resource - Warrigal Well**

Res Cat	Mt	Fe	CaFe	SiO <sub>2</sub>	Al <sub>2</sub> O <sub>3</sub>	S	P	LOI <sub>1000</sub>
Measured	-	-	-	-	-	-	-	-
Indicated	12.7	57.0	64.5	3.62	2.31	0.013	0.022	11.6
Inferred	1.6	57.0	64.4	3.77	2.11	0.013	0.027	11.5
<b>TOTAL</b>	<b>14.3</b>	<b>57.0</b>	<b>64.5</b>	<b>3.64</b>	<b>2.29</b>	<b>0.013</b>	<b>0.023</b>	<b>11.6</b>

**DSO Mineral Resource - Coongan Well**

Res Cat	Mt	Fe	CaFe	SiO <sub>2</sub>	Al <sub>2</sub> O <sub>3</sub>	S	P	LOI <sub>1000</sub>
Measured	-	-	-	-	-	-	-	-
Indicated	7.2	57.0	65.0	2.51	1.89	0.012	0.011	12.4
Inferred	0.5	57.1	65.3	2.27	1.75	0.007	0.012	12.6
<b>TOTAL</b>	<b>7.7</b>	<b>57.0</b>	<b>65.0</b>	<b>2.49</b>	<b>1.88</b>	<b>0.012</b>	<b>0.011</b>	<b>12.4</b>

**DSO Mineral Resource - Bonnie East**

Res Cat	Mt	Fe	CaFe	SiO <sub>2</sub>	Al <sub>2</sub> O <sub>3</sub>	S	P	LOI <sub>1000</sub>
Measured	-	-	-	-	-	-	-	-
Indicated	-	-	-	-	-	-	-	-
Inferred	8.3	57.0	64.9	3.23	2.00	0.010	0.010	12.1
<b>TOTAL</b>	<b>8.3</b>	<b>57.0</b>	<b>64.9</b>	<b>3.23</b>	<b>2.00</b>	<b>0.010</b>	<b>0.010</b>	<b>12.1</b>

**Total DSO Mineral Resource - Nullagine Project**

Res Cat	Mt	Fe	CaFe	SiO <sub>2</sub>	Al <sub>2</sub> O <sub>3</sub>	S	P	LOI <sub>1000</sub>
Measured	1.7	57.0	64.8	3.49	2.15	0.016	0.018	12.0
Indicated	38.6	57.0	64.7	3.15	2.09	0.011	0.016	12.0
Inferred	10.4	57.0	64.8	3.27	2.00	0.010	0.013	12.1
<b>TOTAL</b>	<b>50.7</b>	<b>57.0</b>	<b>64.8</b>	<b>3.19</b>	<b>2.07</b>	<b>0.011</b>	<b>0.015</b>	<b>12.0</b>

*Calcined Fe (CaFe) = Fe% / (100 - LOI%) \* 100*



**Table 5 – Mineral Resource Estimate for Mineralised CID, Bonnie Creek CID**

**CID Mineral Resource - Outcamp Well**

Res Cat	Mt	Fe	CaFe	SiO <sub>2</sub>	Al <sub>2</sub> O <sub>3</sub>	S	P	LOI <sub>1000</sub>
Measured	2.2	54.5	62.1	4.94	3.65	0.017	0.018	12.1
Indicated	36.8	53.7	61.7	4.46	2.82	0.010	0.015	12.9
Inferred	-	-	-	-	-	-	-	-
<b>TOTAL</b>	<b>39.0</b>	<b>53.8</b>	<b>61.8</b>	<b>4.49</b>	<b>2.87</b>	<b>0.010</b>	<b>0.015</b>	<b>12.9</b>

**CID Mineral Resource - Warrigal Well**

Res Cat	Mt	Fe	CaFe	SiO <sub>2</sub>	Al <sub>2</sub> O <sub>3</sub>	S	P	LOI <sub>1000</sub>
Measured	-	-	-	-	-	-	-	-
Indicated	20.5	54.5	62.0	4.72	3.48	0.013	0.024	12.0
Inferred	2.9	54.6	62.0	4.79	3.25	0.013	0.026	12.0
<b>TOTAL</b>	<b>23.4</b>	<b>54.5</b>	<b>62.0</b>	<b>4.73</b>	<b>3.45</b>	<b>0.013</b>	<b>0.024</b>	<b>12.0</b>

**CID Mineral Resource - Coongan Well**

Res Cat	Mt	Fe	CaFe	SiO <sub>2</sub>	Al <sub>2</sub> O <sub>3</sub>	S	P	LOI <sub>1000</sub>
Measured	-	-	-	-	-	-	-	-
Indicated	11.5	53.7	61.7	4.14	3.22	0.013	0.013	13.0
Inferred	1.3	51.3	59.7	4.98	3.45	0.007	0.013	14.0
<b>TOTAL</b>	<b>12.8</b>	<b>53.4</b>	<b>61.5</b>	<b>4.23</b>	<b>3.24</b>	<b>0.012</b>	<b>0.013</b>	<b>13.1</b>

**CID Mineral Resource - Bonnie East**

Res Cat	Mt	Fe	CaFe	SiO <sub>2</sub>	Al <sub>2</sub> O <sub>3</sub>	S	P	LOI <sub>1000</sub>
Measured	-	-	-	-	-	-	-	-
Indicated	-	-	-	-	-	-	-	-
Inferred	13.9	55.1	62.6	4.10	2.71	0.020	0.010	12.0
<b>TOTAL</b>	<b>13.9</b>	<b>55.1</b>	<b>62.6</b>	<b>4.10</b>	<b>2.71</b>	<b>0.020</b>	<b>0.010</b>	<b>12.0</b>

**Total CID Mineral Resource - Nullagine Project**

Res Cat	Mt	Fe	CaFe	SiO <sub>2</sub>	Al <sub>2</sub> O <sub>3</sub>	S	P	LOI <sub>1000</sub>
Measured	2.2	54.5	62.1	4.94	3.65	0.017	0.018	12.1
Indicated	68.8	54.0	61.8	4.48	3.08	0.011	0.017	12.7
Inferred	18.1	54.7	62.3	4.27	2.85	0.018	0.013	12.1
<b>TOTAL</b>	<b>89.1</b>	<b>54.1</b>	<b>61.9</b>	<b>4.45</b>	<b>3.05</b>	<b>0.013</b>	<b>0.016</b>	<b>12.6</b>

*Calcined Fe (CaFe) = Fe% / (100 – LOI%) \* 100*

*The information relating to the terms “iron ore”, “exploration target”, “direct shipping ore” and “upgrade” should not be misunderstood or misconstrued as an estimate of Mineral Resources and Reserves as defined by the JORC Code (2004) and therefore the terms have not been used in this context. It is uncertain if further exploration or feasibility study will result in the determination of a Mineral Resource or Mining Reserve.*

*The information that relates to the drilling data and geological interpretations is based on information compiled by Michael Young who is a Member of The Australian Institute of Geoscientists and a Director of the Company.*

*The information that relates to the Mineral Resource Estimates for Coongan, Outcamp, and Warrigal Deposits have been compiled by Mr Richard Gaze who is a member of the Australasian Institute of Mining and Metallurgy and an employee of Golder Associates.*

*The information that relates to the Mineral Resource Estimate for the Bonnie East Deposit has been compiled by Mr Michael Young who is a member of the Australian Institute of Geoscientists and a Director of the Company.*

*Both Mr Young and Mr Gaze have sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity that they are undertaking to qualify as a Competent Persons as defined in the 2004 Edition of the ‘Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves’. Mr Gaze and Mr Young consent to the inclusion in their names in the matters based on their information in the form and context in which it appears.*

*This release may include forward-looking statements. These forward-looking statements are based on BC Iron’s expectations and beliefs concerning future events. Forward-looking statements are necessarily subject to risks, uncertainties and other factors, many of which are outside the control of BC Iron Limited, which could cause actual results to differ materially from such statements. BC Iron Limited makes no undertaking to subsequently update or revise the forward-looking statements made in this release to reflect events or circumstances after the date of this release.*