

# Appendix 5B

## Mining exploration entity quarterly report

Name of entity

**BC IRON LIMITED**

ABN

21 120 646 924

Quarter ended ("current quarter")

30 June 2009

### Consolidated statement of cash flows

	Current Quarter \$A'000	Year to date (12 Months) \$A'000
<b>Cash flows related to operating activities</b>		
1.1 Receipts from product sales and related debtors	-	-
1.2 Payments for		
(a) exploration and evaluation	(977)	(5,569)
(b) development	-	-
(c) production	-	-
(d) administration	(318)	(1,258)
1.3 Dividends received	-	-
1.4 Interest and other items of a similar nature received	29	402
1.5 Interest and other costs of finance paid	-	-
1.6 Income taxes paid	-	-
1.7 Other – R & D tax offset	344	344
<b>Net operating cash flows</b>	<b>(922)</b>	<b>(6,081)</b>
<b>Cash flows related to investing activities</b>		
1.8 Payment for purchases of		
(a) prospects	-	-
(b) equity investments	-	-
(c) other fixed assets	(16)	(40)
1.9 Proceeds from sale of		
(a) prospects	-	-
(b) equity investments	-	-
(c) other fixed assets	-	-
1.10 Loans to other entities	-	-
1.11 Loans repaid by other entities	-	-
1.12 Other	-	-
<b>Net investing cash flows</b>	<b>(16)</b>	<b>(40)</b>
1.13 Total operating and investing cash flows (carried forward)	<b>(938)</b>	<b>(6,121)</b>

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1.13	Total operating and investing cash flows (brought forward)	(938)	(6,121)
<b>Cash flows related to financing activities</b>			
1.14	Proceeds from issues of shares, options, etc.	9,587	9,587
1.15	Proceeds from sale of forfeited shares	-	-
1.16	Proceeds from borrowings	-	-
1.17	Repayment of borrowings	-	-
1.18	Dividends paid	-	-
1.19	Other - Share issue costs	(509)	(509)
<b>Net Financing Cash Flows</b>		9,078	9,078
<b>Net increase (decrease) in cash held</b>		8,140	2,957
1.20	Cash at beginning of quarter/year to date	3,897	9,080
1.21	Exchange rate adjustments to Item 1.20	-	-
1.22	<b>Cash at end of quarter</b>	12,037	12,037

**Payments to directors of the entity and associates of the directors**  
**Payments to related entities of the entity and associates of the related entities**

		Current quarter \$A'000
1.23	Aggregate amount of payments to the parties included in item 1.2	140
1.24	Aggregate amount of loans to the parties included in item 1.10	-

Explanation necessary for an understanding of the transactions

Remuneration of Managing Director and remuneration of non executive directors.

**Non-cash financing and investing activities**

2.1 Details of financing and investing transactions which have had a material effect on consolidated assets and liabilities but did not involve cash flows

N/A

2.2 Details of outlays made by other entities to establish or increase their share in projects in which the reporting entity has an interest

N/A

**Financing facilities available**

*add notes as necessary for an understanding of the position*

	Amount available \$A'000	Amount used \$A'000
3.1 Loan facilities	-	-
3.2 Credit standby arrangements	-	-

**Estimated cash outlays for next quarter**

	\$A'000
4.1 Exploration and evaluation	700
4.2 Development	-
<b>TOTAL</b>	<b>700</b>

**Reconciliation of cash**

Reconciliation of cash at the end of the quarter (as shown in the statement of cash flows) to the related items in the accounts is follows.

	Current Quarter \$A'000	Previous Quarter \$A'000
5.1 Cash on hand and at bank	117	88
5.2 Deposits at call	2,620	3,809
5.3 Bank overdraft	-	-
5.4 Other –term deposits	9,300	-
<b>Total: cash at end of quarter (item1.22)</b>	<b>12,037</b>	<b>3,897</b>

**Changes in interests in mining tenements - See attached tenement schedule for details**

	Tenement Reference	Nature of Interest [note (2)]	Interest at Beginning of Quarter	Interest at End of Quarter
6.1	Interests in mining tenements relinquished, reduced or lapsed	-	-	-
6.2	Interests in mining tenements acquired or increased	-	-	-

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**Issued and quoted securities at end of current quarter**

*Description includes rate of interest and any redemption or conversion rights together with prices and dates*

	Total number	Number quoted	Issue price per security (see note 3) (cents)	Amount paid up per security (see note 3) (cents)
7.1 <b>Preferences securities</b> <i>(description)</i>	-	-	-	-
7.2 Changes during quarter (a) increases through issues (b) decreases through returns of capital, buybacks, redemptions	-	-	-	-
7.3 <b>Ordinary securities</b>	68,846,000	68,846,000	-	-
7.4 Changes during quarter (a) increases through issues - Placement - Exercise of options (BCIAM) (b) decreases through returns of capital, buybacks	- 8,500,000 946,000 -	- 8,500,000 946,000 -	- \$1.10 \$0.25 -	- \$1.10 \$0.25 -
7.5 <b>Convertible debt securities</b>	-	-	-	-
7.6 Changes during quarter (a) increases through issues (b) decreases through securities matured, converted	- -	- -	- -	- -
7.7 <b>Options</b>			<i>Exercise price</i>	<i>Expiry date</i>
Unlisted options BCIAM	2,804,000	Nil	\$0.25	13/12/09
Unlisted options BCIAO	500,000	Nil	\$0.30	13/12/09
Unlisted options BCIAQ	300,000	Nil	\$0.72	19/02/10
Unlisted options BCIA S	75,000	Nil	\$1.50	31/08/09
Unlisted options BCIAI	500,000	Nil	\$1.85	15/08/11
Unlisted options BCIAI	500,000	Nil	\$2.00	15/08/11
Unlisted options BCIA Y	500,000	Nil	\$1.25 - \$2.00	21/08/11
Unlisted options BCIA K	250,000	Nil	\$0.65	31/03/12
Unlisted options BCIA W	250,000	Nil	\$0.90	31/03/12
7.8 Issued during quarter Unlisted options BCIA K Unlisted options BCIA W	250,000 250,000	Nil Nil	\$0.65 \$0.90	31/03/12 31/03/12
7.9 Exercised during quarter BCIA M	946,000	Nil	\$0.25	13/12/09
7.10 Expired during quarter	-	-	-	-
7.11 <b>Debentures</b> <i>(totals only)</i>	-	-		
7.12 <b>Unsecured notes</b> <i>(totals only)</i>	-	-		

## Compliance statement

- 1 This statement has been prepared under accounting policies which comply with accounting standards as defined in the Corporations Act or other standards acceptable to ASX (see note 4).
- 2 This statement does/~~does not~~\* (*delete one*) give a true and fair view of the matters disclosed.

Sign here:

[signed] .....



Date: 31/07/2009

(~~Director~~/Company Secretary)

Print name:

**SIMON STORM** .....

## Notes

- 1 The quarterly report provides a basis for informing the market how the entity's activities have been financed for the past quarter and the effect on its cash position. An entity wanting to disclose additional information is encouraged to do so, in a note or notes attached to this report.
- 2 The "Nature of interest" (items 6.1 and 6.2) includes options in respect of interests in mining tenements acquired, exercised or lapsed during the reporting period. If the entity is involved in a joint venture agreement and there are conditions precedent which will change its percentage interest in a mining tenement, it should disclose the change of percentage interest and conditions precedent in the list required for items 6.1 and 6.2.
- 3 **Issued and quoted securities** The issue price and amount paid up is not required in items 7.1 and 7.3 for fully paid securities.
- 4 The definitions in, and provisions of, *AASB 1022: Accounting for Extractive Industries* and *AASB 1026: Statement of Cash Flows* apply to this report.
- 5 **Accounting Standards** ASX will accept, for example, the use of International Accounting Standards for foreign entities. If the standards used do not address the topic, the Australian standard on that topic (if any) must be complied with.

**Tenement Schedule**  
**30 June 2009**

<u>Tenement Number</u>	<u>Registered Title Holder</u>	<u>BCI Interests</u>
EL 46/522	BC Iron Ltd	BCI 100% with the exception of all diamond rights within the land the subject of the tenement and subject to Vaalbara Resources holding an 80% interest in Witwatersrand style mineralisation meaning gold, silver and uranium in particular but not including diamonds, on the tenement
EL 46/523	BC Iron Ltd	BCI 100% with the exception of all diamond rights within the land the subject of the tenement and subject to Vaalbara Resources holding an 80% interest in Witwatersrand style mineralisation meaning gold, silver and uranium in particular but not including diamonds, on the tenement
EL 46/524	BC Iron Ltd	BCI 100% with the exception of all diamond rights within the land the subject of the tenement and subject to Vaalbara Resources holding an 80% interest in Witwatersrand style mineralisation meaning gold, silver and uranium in particular but not including diamonds, on the tenement
EL 45/2552	BC Iron Ltd	BCI 100%
EL 45/2717	BC Iron Ltd	BCI 100%
EL 46/651	BC Iron Ltd	BCI 100%
EL 46/652	BC Iron Ltd	BCI 100%
EL 46/653	BC Iron Ltd	BCI 100%
EL 46/654	BC Iron Ltd	BCI 100%
EL 46/655	BC Iron Ltd	BCI 100%
EL 46/656	BC Iron Ltd	BCI 100%
EL 46/657	BC Iron Ltd	BCI 100%
EL 46/658	BC Iron Ltd	BCI 100%
EL 46/663	BC Iron Ltd	BCI 100%
EL 47/1887	BC Iron Limited	BCI 100% Bungaroo Creek Project
EL 47/1888	BC Iron Limited	BCI 100% Bungaroo Creek Project
EL 47/1889	BC Iron Limited	BCI 100% Bungaroo Creek Project
EL 47/1890	BC Iron Limited	BCI 100% Bungaroo Creek Project
EL 47/1891	BC Iron Limited	BCI 100% Bungaroo Creek Project
EL(A) 46/ 806-808	BC Iron Limited	BCI 100% Shaw River Applications
ML (A) 46/515	BC Iron Limited	BCI 100% Nullagine Project Outcamp Mining Lease application
ML (A) 46/516-7	BC Iron Limited	BCI 100% Nullagine Project Mining Lease applications
L (A) 46/68-69	BC Iron Limited	BCI 100% Nullagine Project Miscellaneous Lease applications
GPL (A) 46/8	BC Iron Limited	BCI 100% Nullagine Project General Purpose Lease application