



The Time
The Place
The Metal

Mining 2008 Resources Convention
Brisbane 2008

Mike Young, Managing Director



This release may include forward-looking statements. These forward-looking statements are based on management's expectations and beliefs concerning future events. Forward-looking statements are necessarily subject to risks, uncertainties and other factors, some of which are outside the control of BC Iron Limited, that 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.

The information relating to the terms "iron ore", "exploration target", "direct shipping ore", "conceptual pits" 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 exploration targets, exploration results and drilling data is based on information compiled by Michael Young who is a Member of The Australian Institute of Geoscientists and a Director of the Company. Mr Young has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is 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 Young consents to the inclusion of his name in the matters based on their information in the form and context in which it appears. A full description and JORC Statement relating to the Mineral Resource Estimate is provided in the release to the Australian Securities Exchange dated March 31, 2008.

You should not act and refrain from acting in reliance on this presentation material. This overview of BC Iron does not purport to be all inclusive or to contain all information which its recipients may require in order to make an informed assessment of the Company's prospects. You should conduct your own investigation and perform your own analysis in order to satisfy yourself as to the accuracy and completeness of the information, statements and opinions contained in this presentation and making any investment decision.

The information contained herein is general in nature and does not constitute financial product advice. If necessary, you should seek specific financial advice of your stockbroker prior to making any investment decision. This presentation has been prepared without taking into account the investment objectives, financial situation or particular needs of any investor.

ASX Listed

- Listing on ASX December 2006 to maiden resource March 2008 – *15 months*
- Major shareholders → Consolidated Minerals (Palmary) and Alkane Resources
- Cash on hand – circa \$6.0M

Nullagine Project

- Direct Shipping Ore in a series of Channel Iron Deposits (CID)
- Bonnie Creek CID is a high quality Sinter Blend Ore
- Positive Scoping Study completed June 2008 – *Company has moved to Feasibility*
- Inferred Resource **28 Mt at 57.4% Fe** & targets of **30 Mt DSO at 56% – 58% Fe**

Bonnie Creek Mine Development

- | | |
|---|---|
| <ul style="list-style-type: none"> ➤ Resource infill & extension drilling ➤ Flora, fauna & hydro surveys ➤ Feasibility Study | <p><i>Completed</i></p> <p><i>Completed</i></p> <p><i>Underway</i></p> |
|---|---|



Capital Structure

Shares on issue	Trading	35.4
	Restricted	24.0
	TOTAL	59.4
	Options	5.7
	Fully Diluted	65.1

Top Shareholders

	Number	% Total	Escrow
Consolidated Minerals	15.6	26%	Dec 2008
Alkane Resources	9.0	15%	Dec 2008
UBS Wealth Management	3.1	5.2%	
TOTAL	27.7	46.7%	

Board

Tony Kiernan - Non-executive Chairman

Mike Young - Managing Director

Non-executive Directors

Garth Higgo - COO of Consolidated Minerals

Terry Ransted - Consultant Alkane Resources

Steven Chadwick - Independent

Senior Management

Blair Duncan – GM Operations

Bill Oliver – Exploration Manager



Warrigal Well



Project Locations

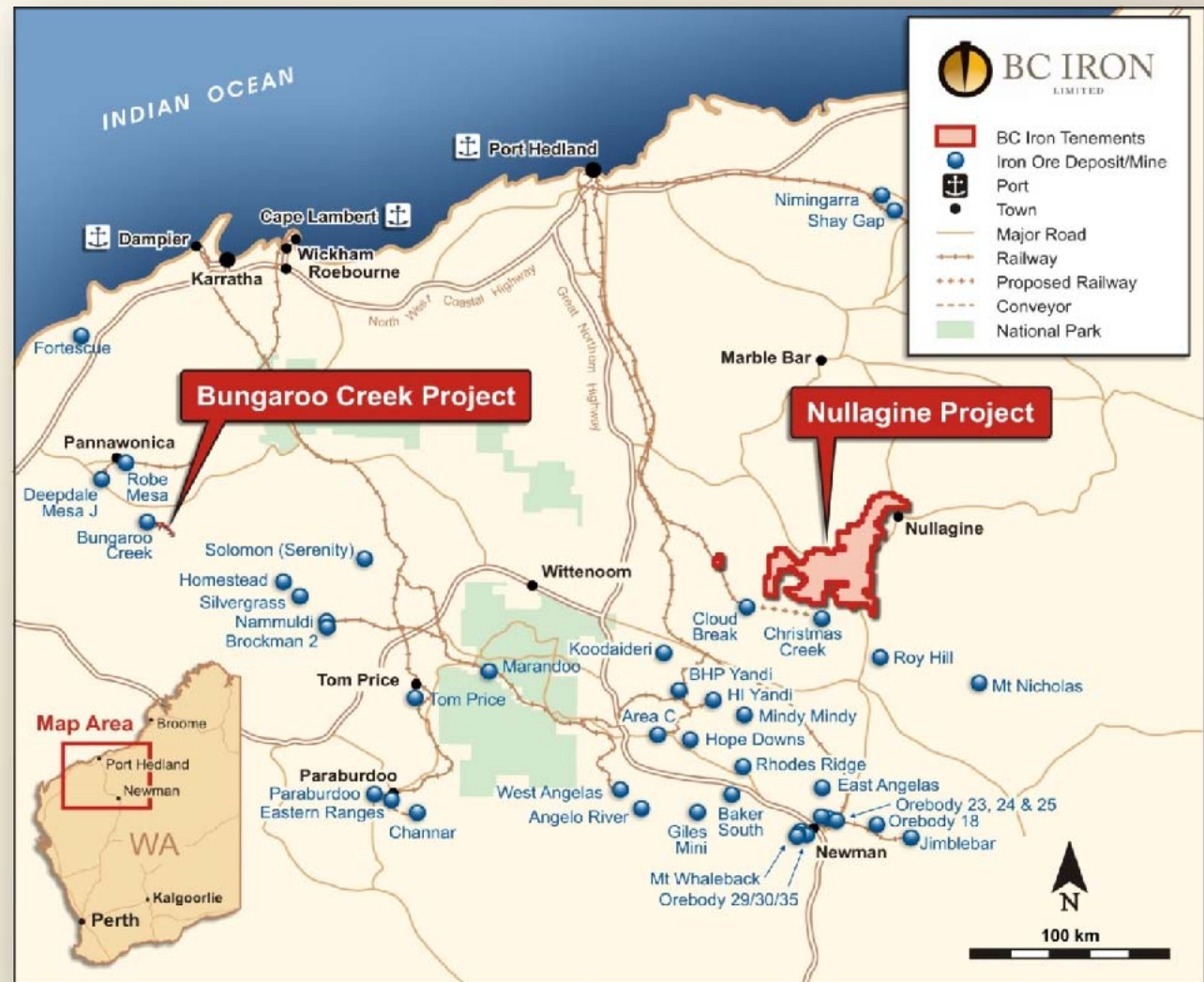
- Pilbara Region

Nullagine Project

- Close to emerging infrastructure
- 35 km north of Fortescue's Christmas Creek Operation

Bungaroo Creek Project

- Adjacent to Rio's Bungaroo CID
- Greenfields project
- Applications





Bonnie Creek Channel Iron Deposit (CID)

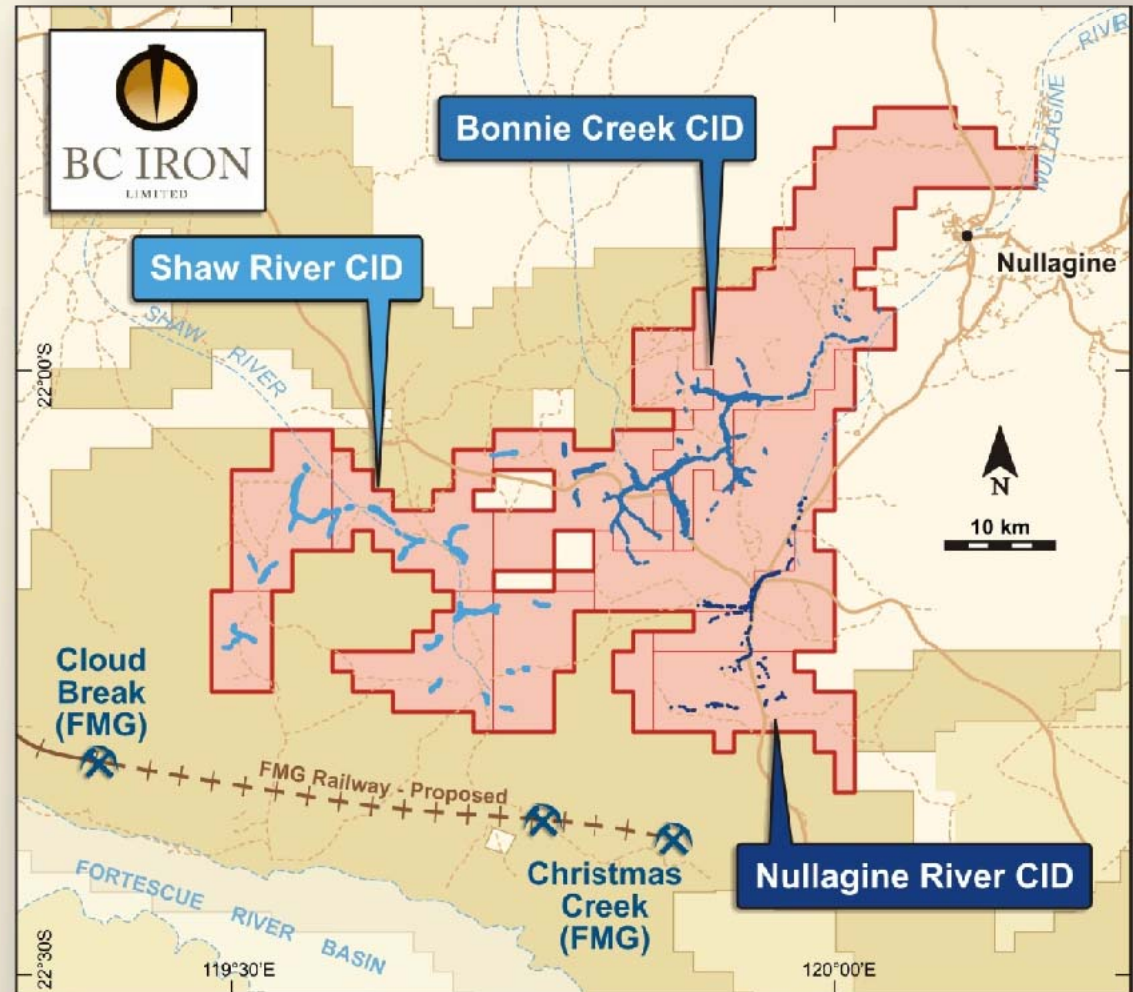
- 28 Mt DSO 57.4% Fe (65% CaFe)
- +30 Mt CID at >56%Fe targeted
- 5 DSO prospects - only two at JORC status
- High quality sinter blend
- Project is adjacent to Fortescue Metal's Operations at Christmas Creek

Nullagine River CID

- Potential for satellite deposits
- DSO & upgrade CID (~5 Mt)

Shaw River CID

- Potential for DSO, upgrade CID & detritals





Inferred Mineral Resource Estimate – March 2008

DSO Resource Estimate										
Prospect	COG ¹	Zone	Mt	Fe	CaFe	SiO ₂	Al ₂ O ₃	P	S	LOI ₁₀₀₀
Outcamp	55.0	DSO	20.6	57.3	64.9	3.18	1.70	0.016	0.017	11.8
Coongan	55.0	DSO	7.4	57.8	65.5	2.39	1.86	0.013	0.017	11.8
TOTAL DSO	55.0	DSO	28.0	57.4	65.1	2.98	1.76	0.015	0.017	11.8

Mineral Resource Estimate - CID										
Prospect	COG ¹	Zone	Mt	Fe	CaFe	SiO ₂	Al ₂ O ₃	P	S	LOI ₁₀₀₀
Outcamp	45.0	CID	35.9	53.5	61.3	5.03	3.34	0.017	0.018	12.7
Coongan	45.0	CID	11.3	54.0	61.8	4.16	3.31	0.015	0.018	12.7
TOTAL DSO	45.0	CID	47.2	53.6	61.5	4.82	3.33	0.017	0.018	12.7

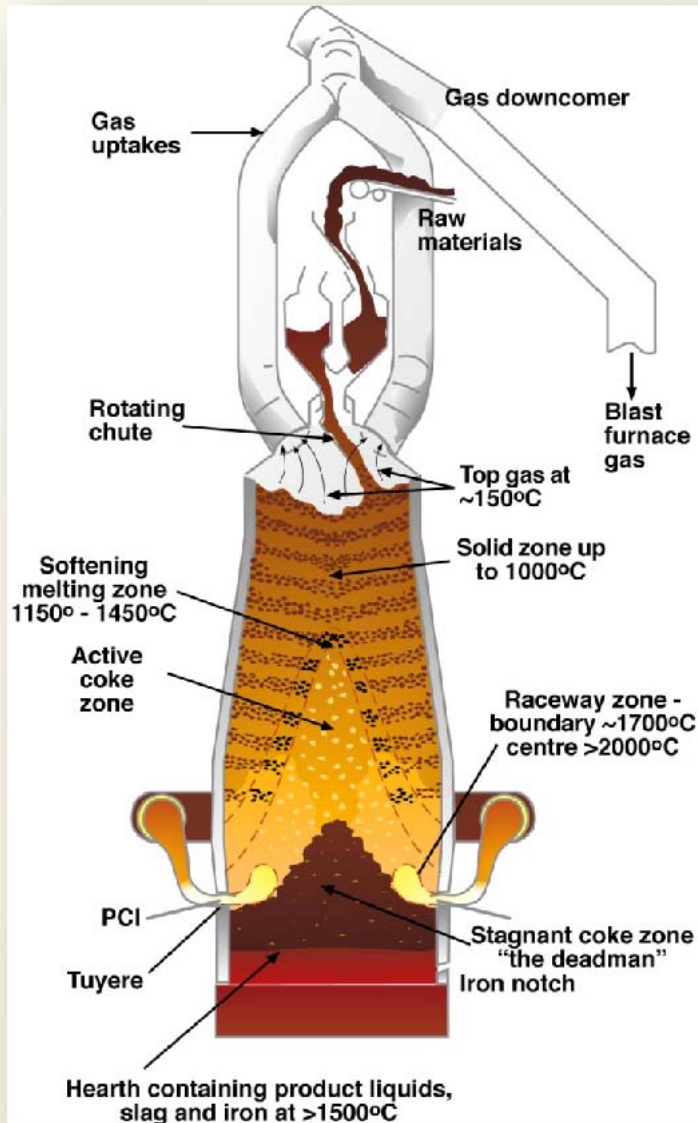
- For complete explanation see BC Iron release to the ASX, 31 March 2008
- The DSO resource estimate is a subset of the CID resource



Iron Smelting

- A reaction where iron ore (Fe_2O_3) is *reduced* to iron oxide (FeO) then melted to form iron metal
- Reduction is carried out at very high temperatures in a blast furnace ($\sim 1400^\circ\text{C}$)
- The fully reduced iron is then heated to its melting temperature to form molten metal
- The molten iron is formed together with molten floating *slag* carrying the gangue or waste
- Both streams are tapped from the furnace as separate liquids as a continuous process





Iron Smelting

- Iron-bearing materials, coke, and lime are charged at the top in alternating layers
- Hot air, at around 1250°C is blasted into the bottom of the furnace
- Coke combustion creates hot CO which travels up, countercurrent to the descending burden
- Ascending gases provide reducing environment for iron oxide reduction process
- Descending burden melts to create iron metal and slag



Sintering

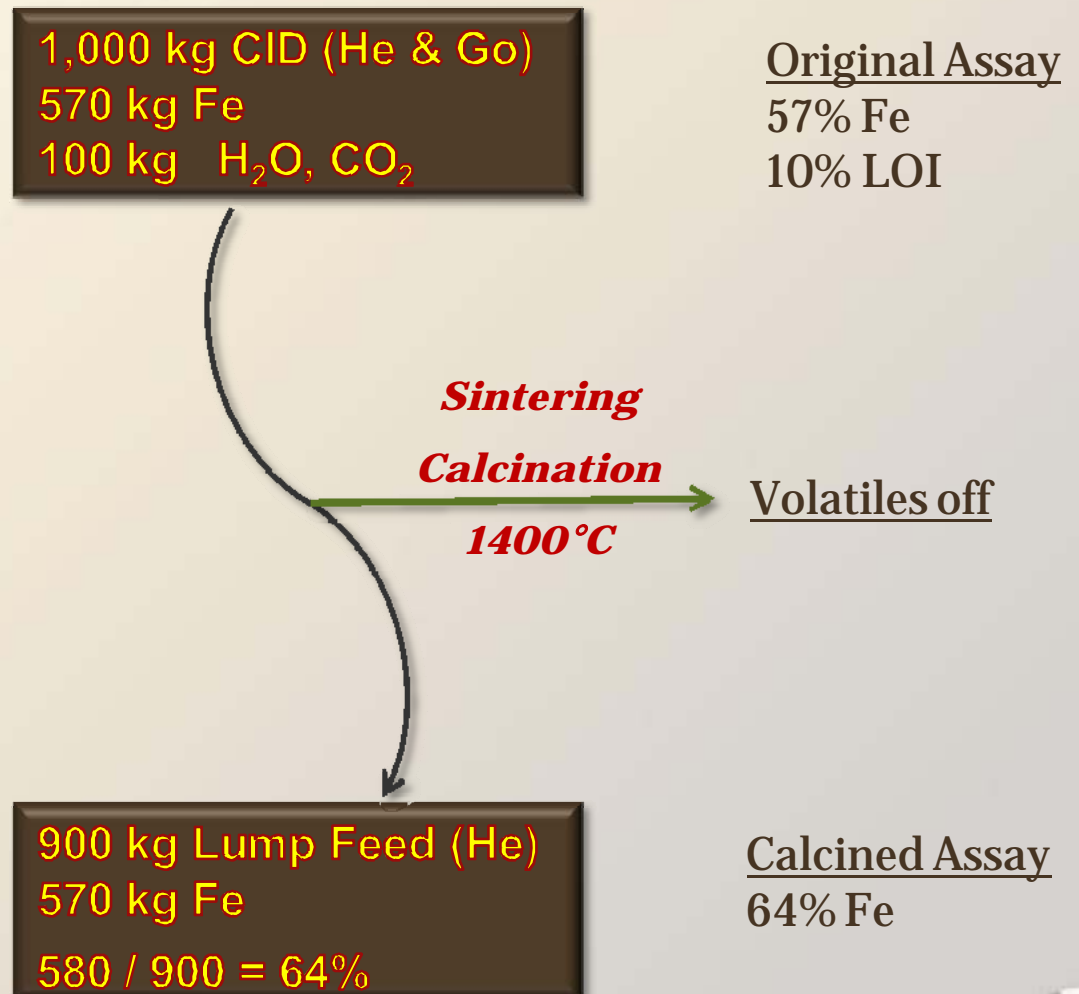
- All iron ore mines produce a *lump* and a *finer* product
- Finer (and some lump) cannot be charged directly to furnace → breaks down when heated
- Finer must be agglomerated or ***sintered***
- Mechanical characteristics of ores are as important as the grades
- Coal agglomeration called *coking*



Sintering Qualities of BCI Ore

- Independantly tested in China
- Blended with a typical fines sinter feed including Carajas Fines
- Sample from composited RC samples at 55.9% Fe - ROM > 57%
- Using 10, 20, and 30% blend
- Resulted in increased quantity and quality of sinter – “First Class”
 - Yield
 - Time & Sinter Speed
 - Tumble Index
 - Fuel consumption
 - Productivity
 - 20% Blend best overall

Sintering Upgrades BCI Ore





**Other DSO
Deposits**

Element/ Compound	Typical Spec	BCI CID Bonnie Ck	BHP CID Yandi	RIO CID Robe R
Fe	>57	57.4	58.0	57.0
CaFe		65.1	64.2	62.8
SiO ₂	3 – 5	3.0	5.0	5.7
Al ₂ O ₃	< 2.0	1.7	1.3	2.7
P	< 0.10	0.02	0.04	0.04
S	< 0.03	0.02	0.01	0.01
LOI		11.8	9.7	9.2

BCI at 55% COG

RIO and BHP data from corporate websites

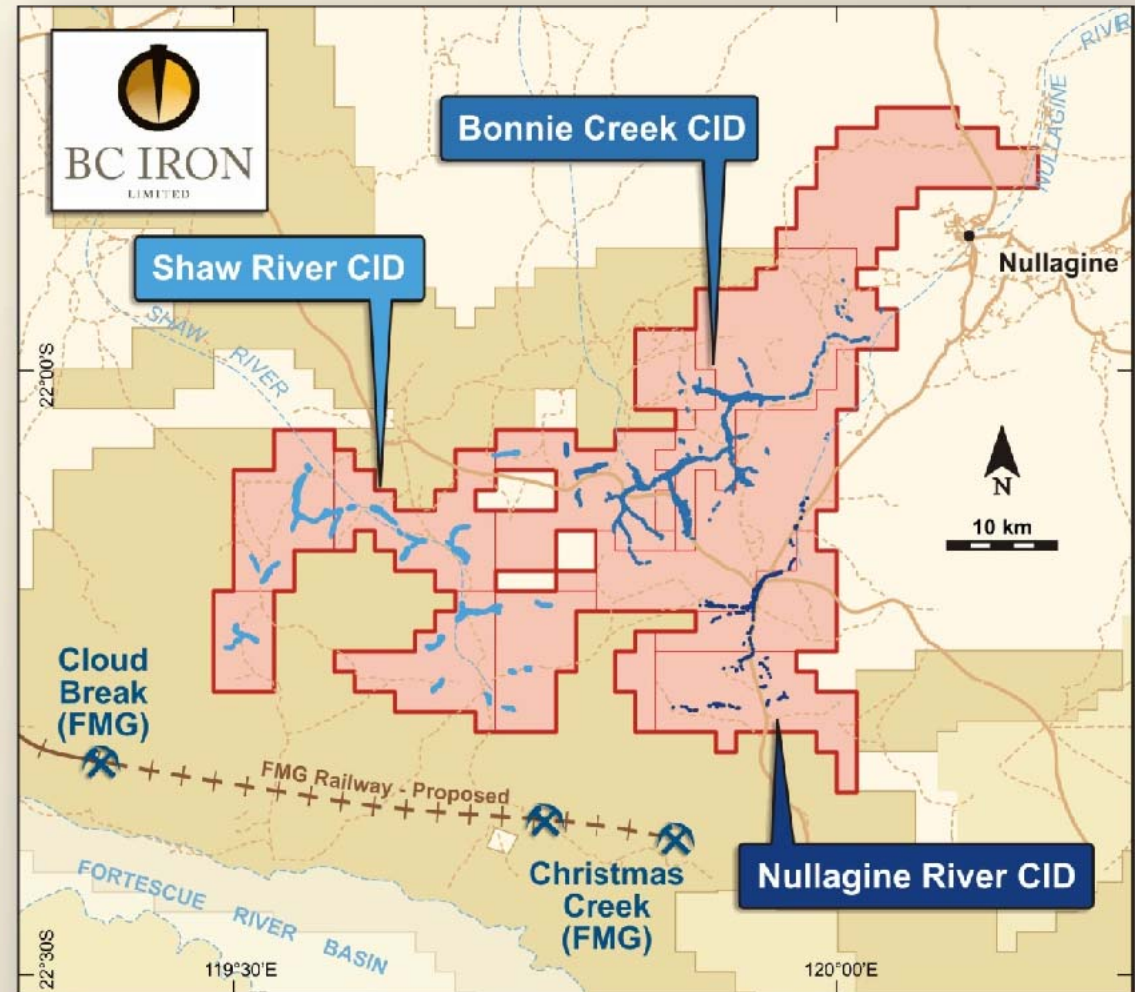
Mining Options

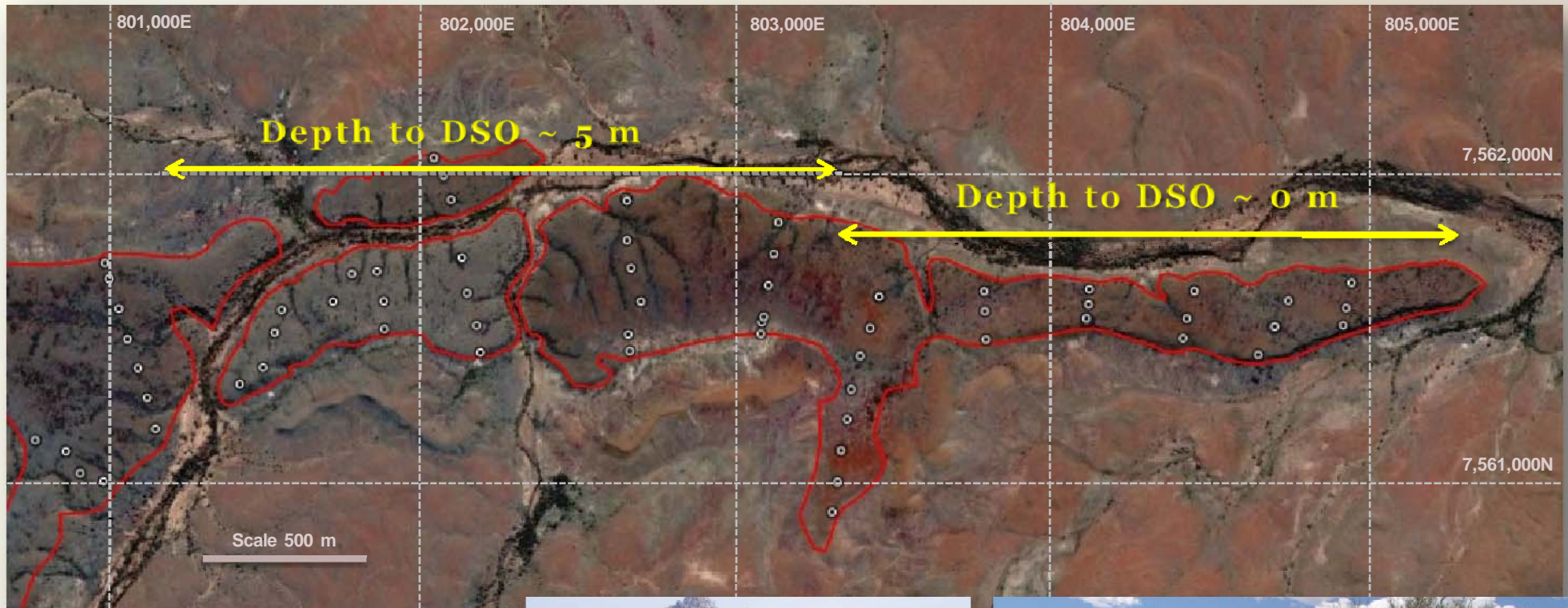
Option 1 – Scoping Study

- Startup Production 3 Mtpa
- CapEx A\$85 -100 M
- OpEx ~\$40/tonne

Option 2 – Capex Minimisation

- Startup Production 1.5 Mtpa
- CapEx A\$20 -25 M
- OpEx ~\$40/tonne
- In-pit secondary crushing
- Road haul to Christmas Creek/Cloudbreak
- Expand capacity from cash flows

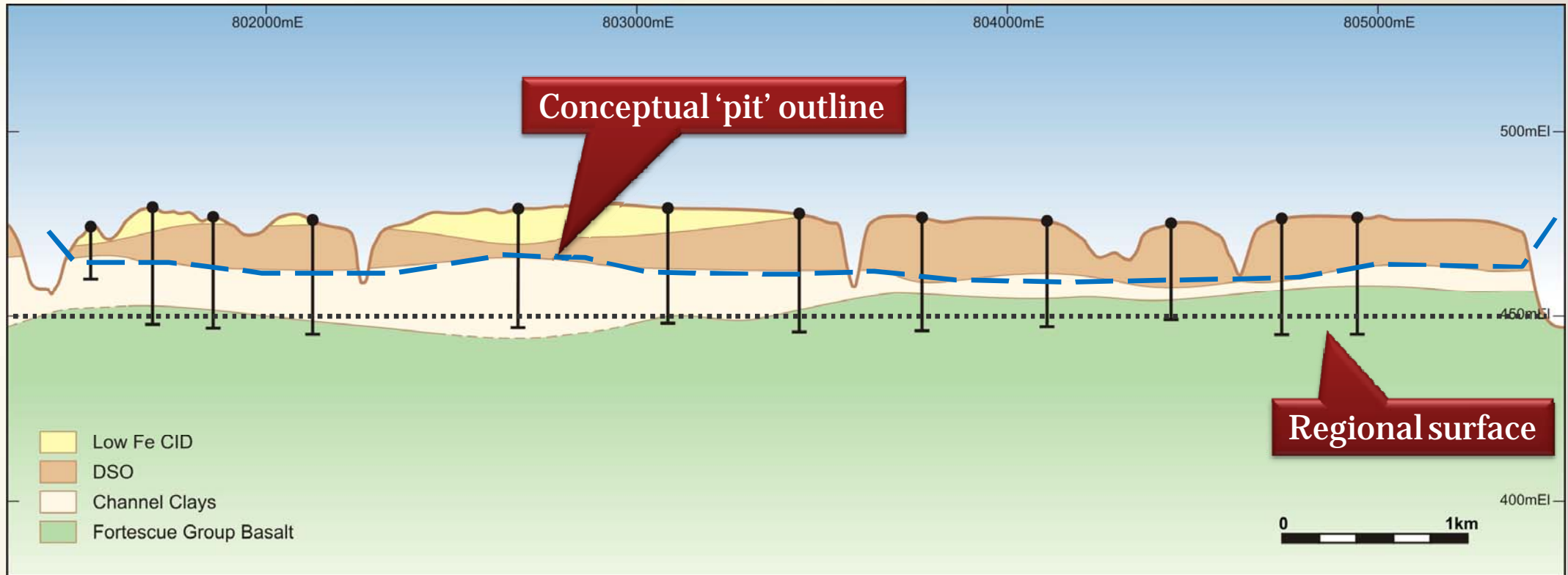




Outcamp Well

- 21 Mt at 57.3% Fe DSO
- Low strip ratio 0.8:1
- Outcropping mineralisation





- Shallow “pits” mainly above surrounding plains - mining ore from day 1
- Above water table - lower impact on subterranean aquatic fauna
- Low OpEx - low strip ratio, use of surface miners



VERMEER TL1255 Terrain Leveler

- Drill & Blast not required
- Primary Crushing not required
- Mine Haul Trucks not required

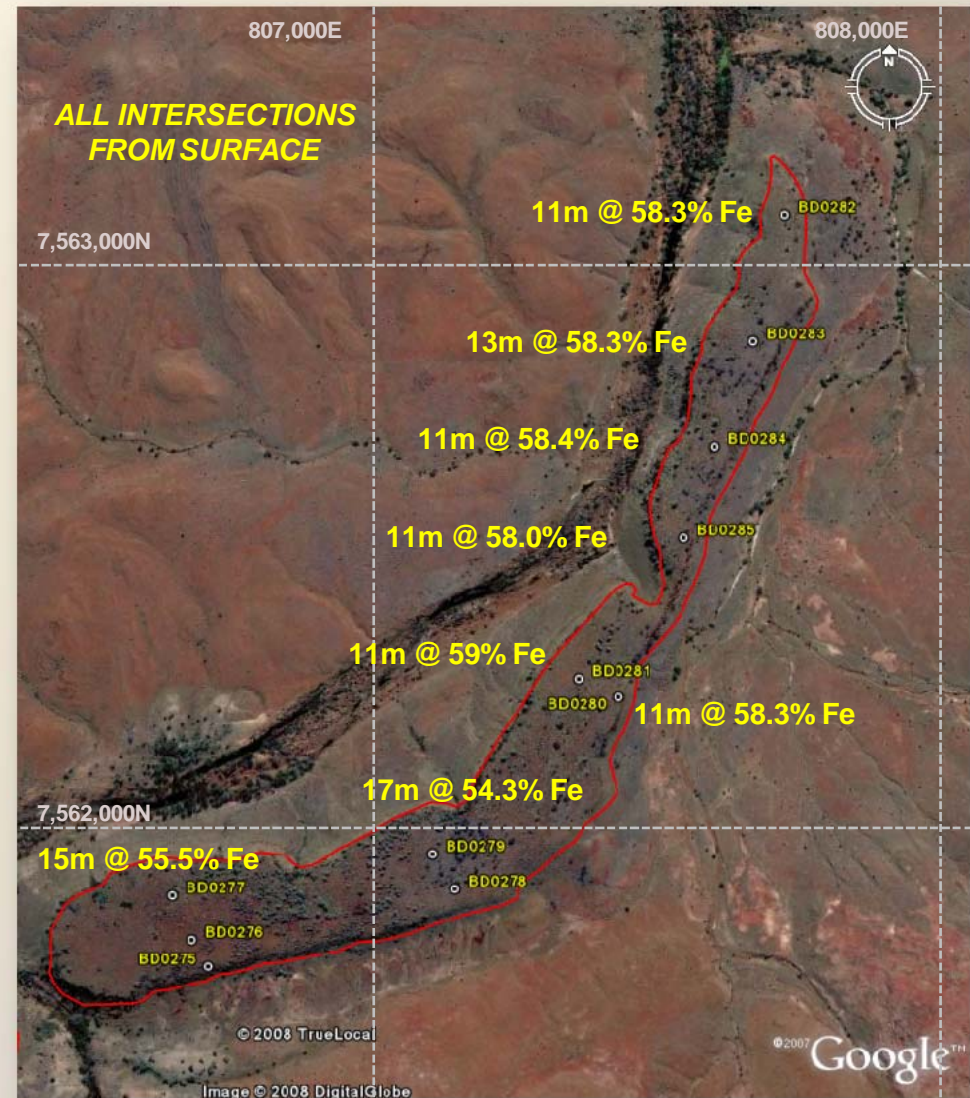


VERMEER TL1255 operating at Cloud Break (FMG) – photo by BC Iron



Warrigal Well CID

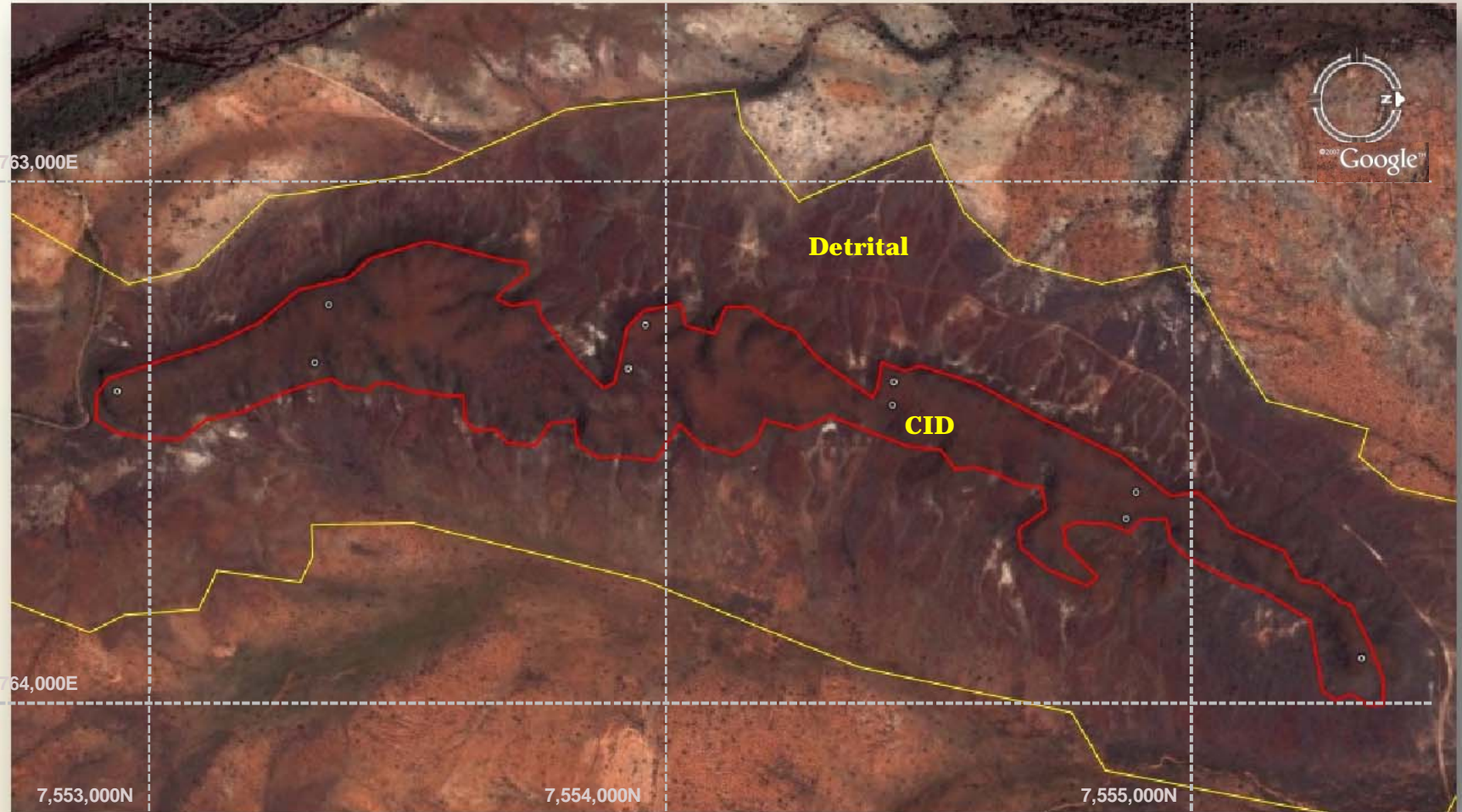
- Directly east of Outcamp Well
- Target 10 – 15 Mt DSO
- Up to 27 m intersection CID
- 7.2 km combined length
- Outcropping mineralisation – mesa style
- Follow-up drilling completed
- JORC Resource underway





Shaw River CID

- Med grade CID
 - High CaFe
- Detrital deposits
 - Low cost mining
- Potential source of upgradeable ore
- Simple to upgrade



Short Term Strategy

- Rail Haulage and Port Access Agreement with Fortescue
 - to be negotiated via existing MOU and “at market rates”
 - utilizes available capacity during Fortescue’s production ramp up phase
- Rail Haulage Agreement with Fortescue
 - port access via common user facility and/or lease of alternate site/available capacity

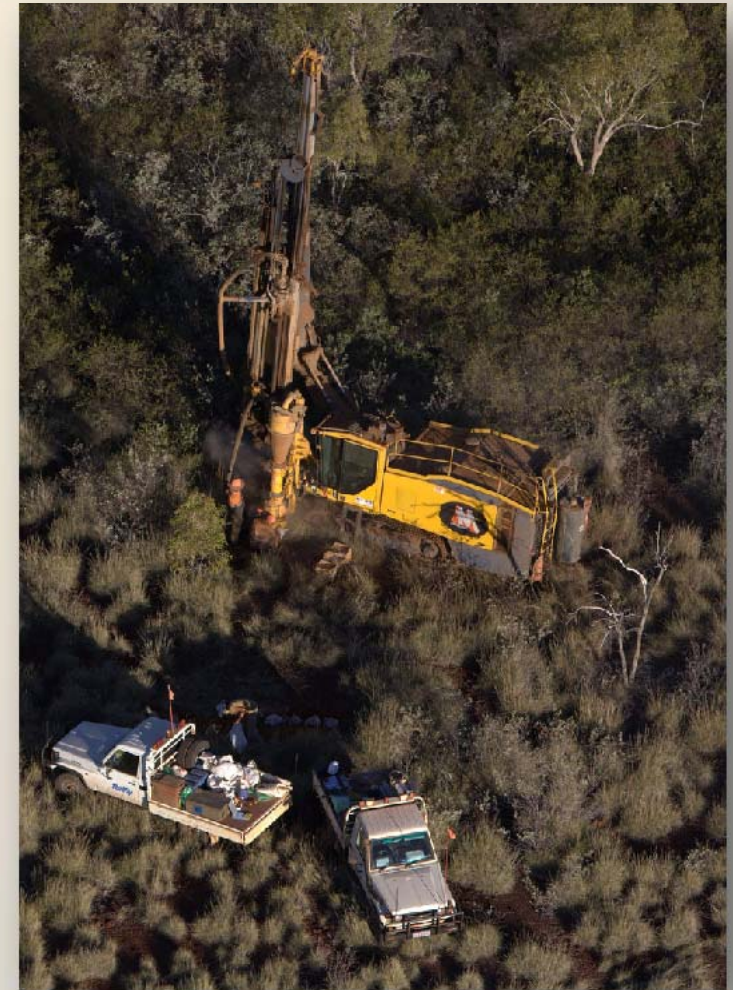
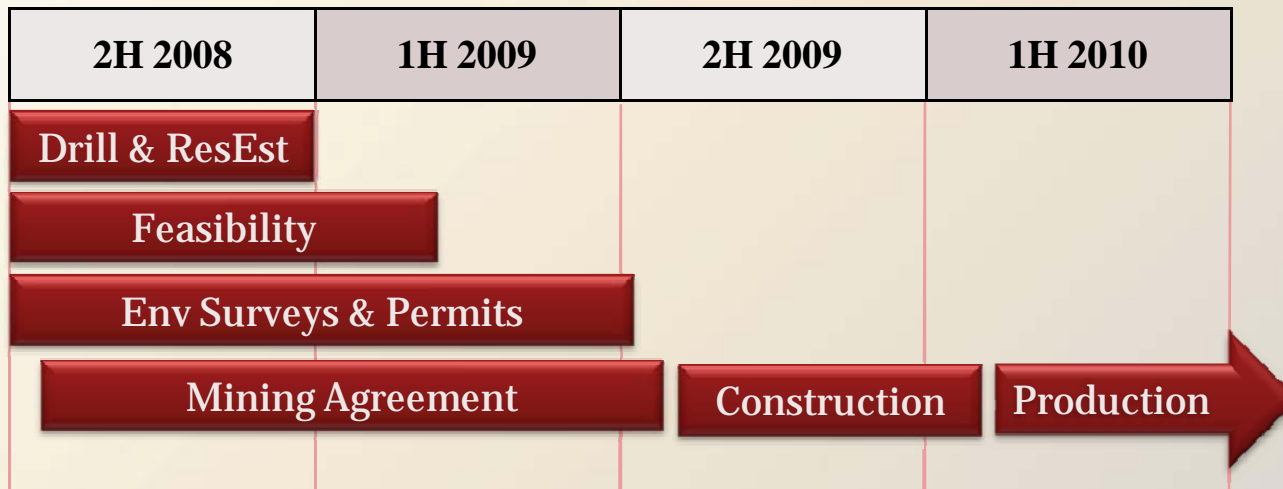
Longer Term Strategy

- Rail Haulage Agreement with Fortescue
 - port access via planned North West Iron Ore Alliance (NWIOA) facility
- Rail Access Agreement with Fortescue
 - will require purchase of rolling stock
 - port access via NWIOA facility



Fortescue ore train – photo by BC Iron

- Timing**
- Scoping Study Bonnie Creek CID **Completed**
 - Baseline Environmental Surveys **Completed**
 - Infill drilling **Completed**
 - Resource Estimate **Second Half 2008**
 - Feasibility Study **First Half 2009**
 - Mining Approvals **Second Half 2009**
 - Construction commences **Second Half 2009**
 - Production **First Half 2010**



Drilling at Coongan Well

So far....

- ✓ BCI is a Pilbara iron ore developer 100% project ownership
- ✓ Maiden JORC Resource – 28 Mt at 57.4% Fe
- ✓ Exploration targeting an additional 30 Mt DSO
- ✓ Feasibility Study on 3 - 5Mtpa operation – underway
- ✓ “First Grade” Sinter Blend Product – *high value in use*
- ✓ Low contaminants, high calcined iron grades

...moving forward

- ✓ CapEx (mine) \$85M and OpEx \$42/tonne
- ✓ “Fast Track” 1.5 Mtpa plan - \$25M CapEx
- ✓ Access to infrastructure
- ✓ Path to cash flow - *path to growth*



Coongan Well



“Fill in the blanks”

Iron Ore Investor’s Checklist							
COMPANY	BC Iron						
Hematite – Limonite	Yes						
Simple ore body	Yes						
Direct Shipping Ore	Yes						
Sinter Blend	Yes						
Simple infrastructure	Yes						
Low CapEx	Yes						
Transport¹	Yes						
Market for ore	Yes						

1 – see ‘Infrastructure Solutions’



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