



Annual General Meeting, 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.

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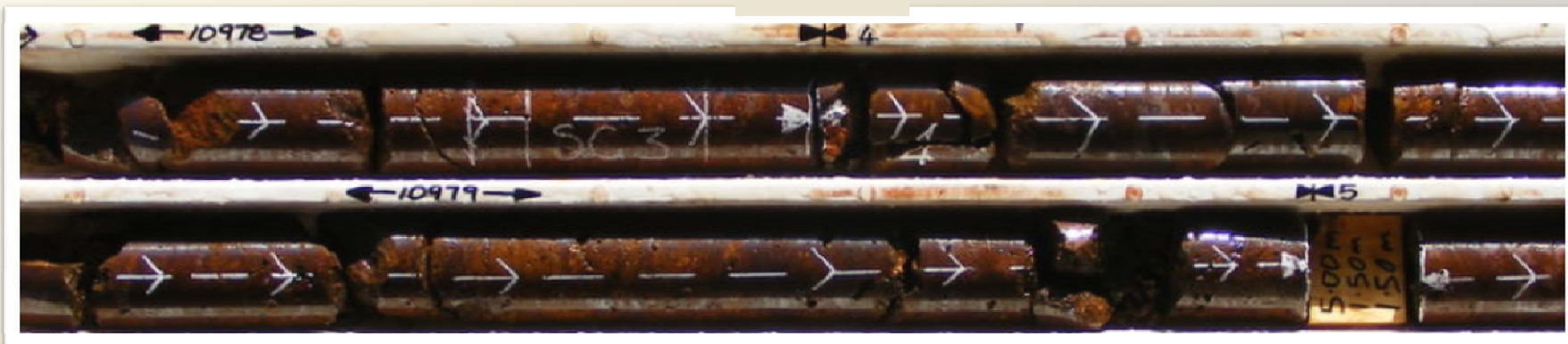


- Successful capital raising \$9.2M by way of a placement of 5.4M shares @ \$1.70
- Completed exploration drilling of 1194 holes for 25,060 m
- Delineated a maiden resource estimate of 28 Mt @ 57.4% Fe and defined targets of a further 30 Mt at greater than 56% - *resource estimate underway*
- Successfully completed a Scoping Study for the Bonnie Creek CID Project
- Initiated a Feasibility Study on the Bonnie Creek CID Project





- Metallurgical sinter test work indicates that BC Iron ore has enhanced value as an *ultra-low phosphorus, premium sinter blend*
- Marketing/off take negotiations - Chinese, North American, and SE Asian customers
- Secured the reservation of 2 multi-user berths at Port Hedland as a member of the North West Iron Ore Alliance
- Commenced Scoping Study of NWIOA berths
- Blair Duncan joins BC Iron as General Manager of Operations



BD0389 – iron ore grading 59.8% Fe in core hole Outcamp Well



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



Warrigal Well with 40 m iron ore cliffs in background

Top Shareholders

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



Board

Tony Kiernan

Chairman

Mike Young

Managing Director

Non-executive Directors

Garth Higgo

COO of Consolidated Minerals

Terry Ransted

Consultant Alkane Resources

Steven Chadwick

Consulting Metallurgist

BCI Team

Blair Duncan

GM Operations

Arthur Belotti

Senior Geologist

Brett Powter

Senior Field Technician

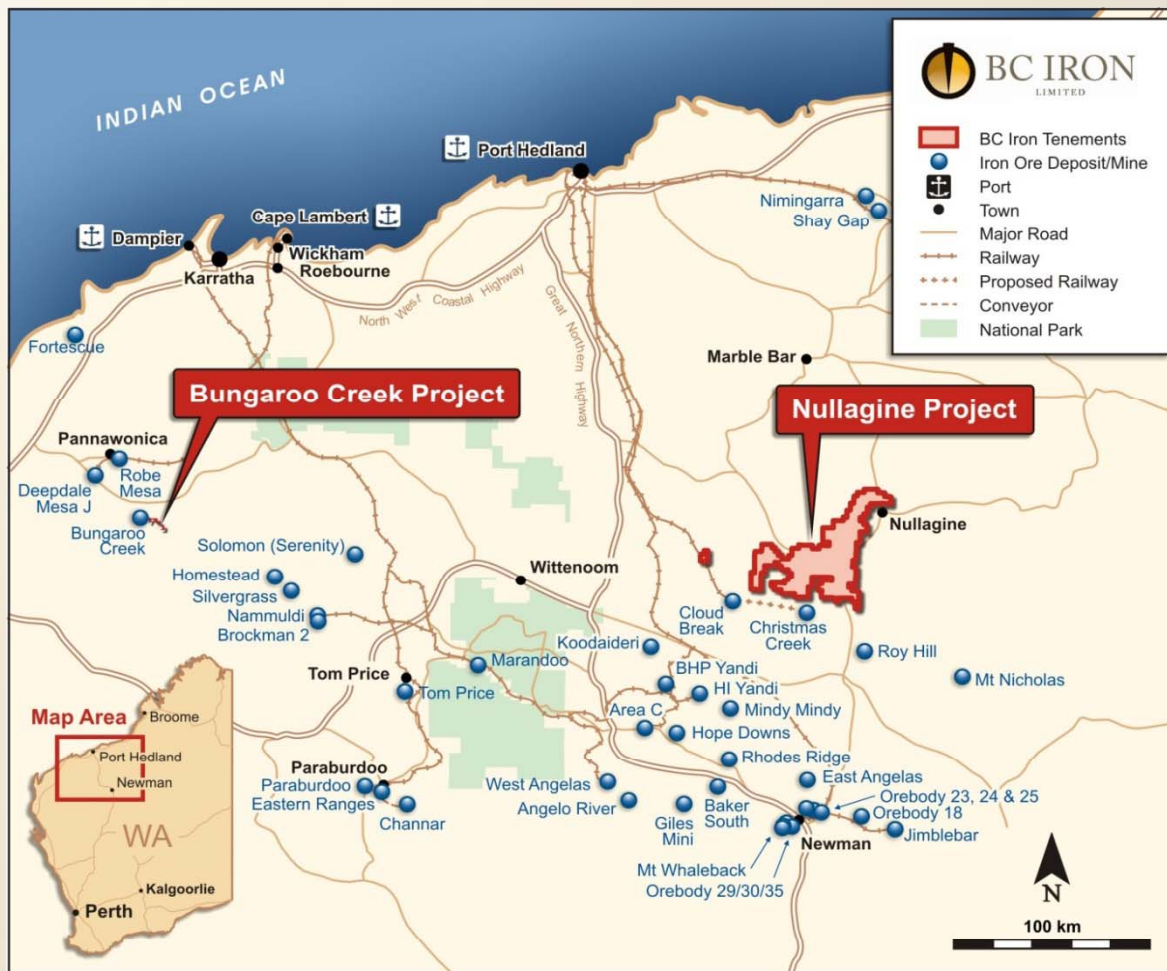


Nullagine Project

- Close to emerging infrastructure
- 35 km north of Fortescue's Operations

Bungaroo Creek Project

- Adjacent to Rio's Bungaroo CID
- Greenfields project
- In application





Bonnie Creek Channel Iron Deposit

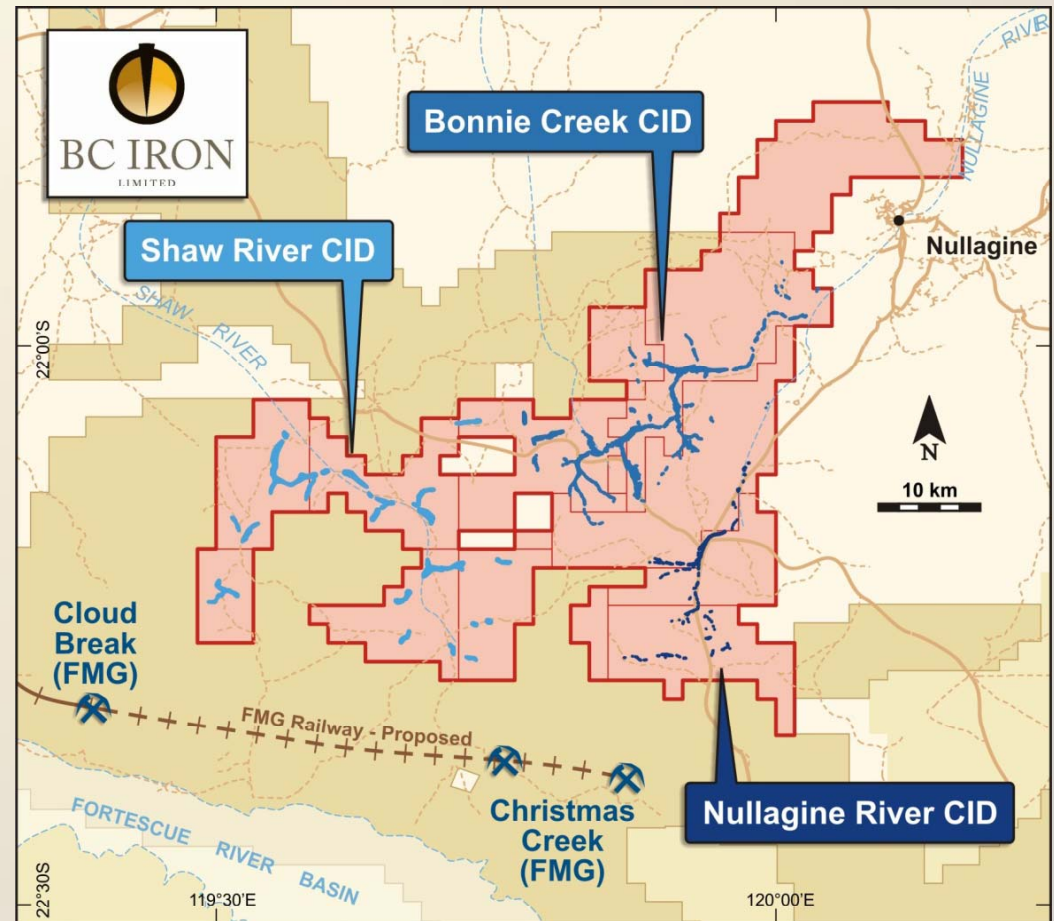
- 28 Mt DSO 57.4% Fe (65% CaFe)
- +30 Mt CID at >56%Fe targeted
- Ultra-low P, High quality sinter blend
- Adjacent to FMG

Nullagine River CID

- DSO & upgrade CID (~5 Mt)

Shaw River CID

- Potential for DSO, upgrade CID & detritals





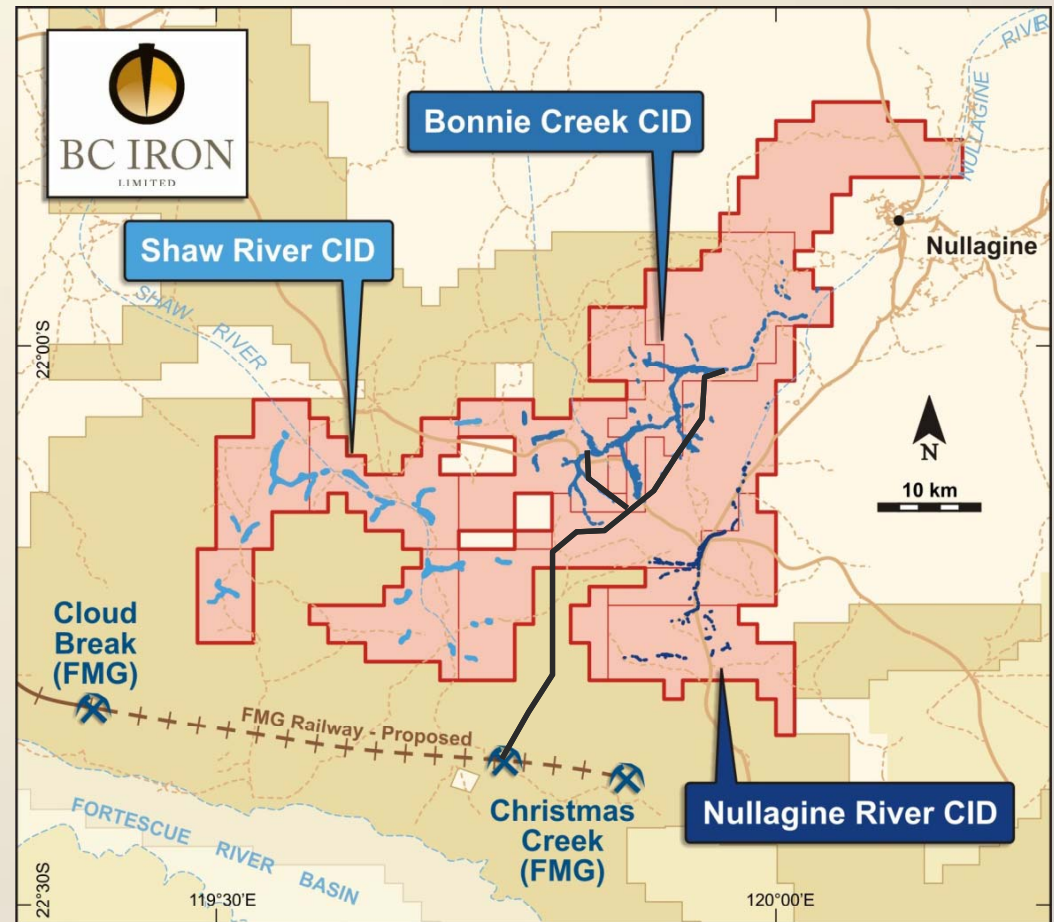
Mining Options

Option 1 – Scoping Study

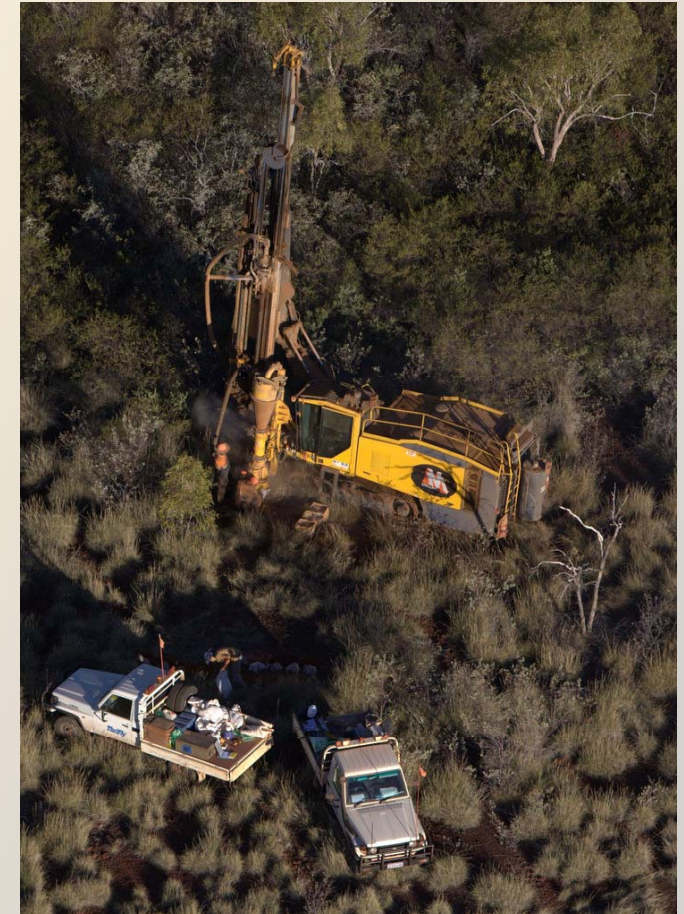
- Startup/Ramp up 3/5 Mtpa
- CapEx A\$85 -100 M
- OpEx ~\$40/tonne

Option 2 – Capex Minimisation

- Startup/Ramp up tpa 1.5/3/5 Mtpa
- CapEx A\$20 -30 M
- OpEx ~\$40/tonne
- In-pit secondary crushing
- Road haul to Christmas Creek/Cloudbreak
- Expand capacity from cash flows



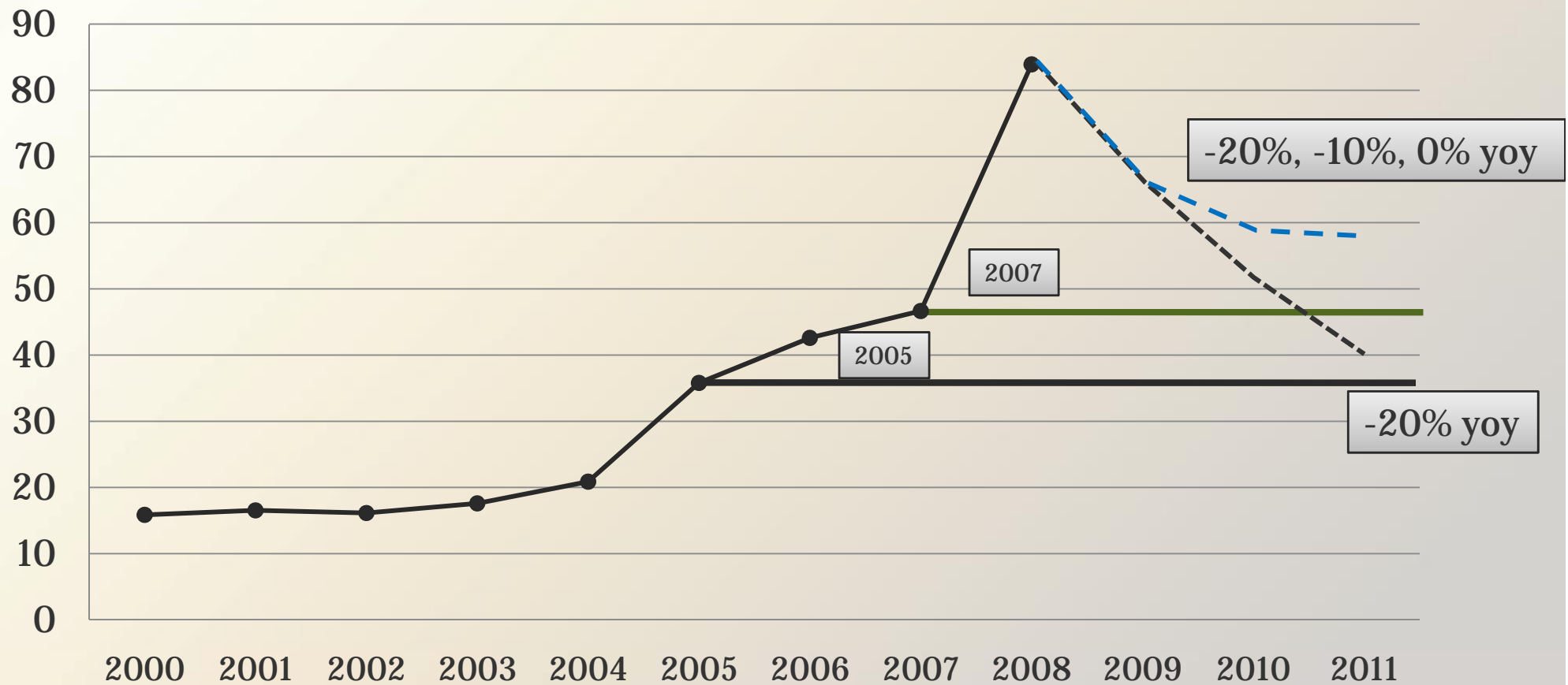
- Timing**
- Baseline Environmental Surveys **Completed**
 - Infill drilling **Completed**
 - Resource Estimate **Second Half 2008**
 - Feasibility Study **First Half 2009**
 - Mining Approvals **Second Half 2009**
 - Construction commences **Second Half 2009**
 - Production **First Half 2010**



Drilling at Coongan Well

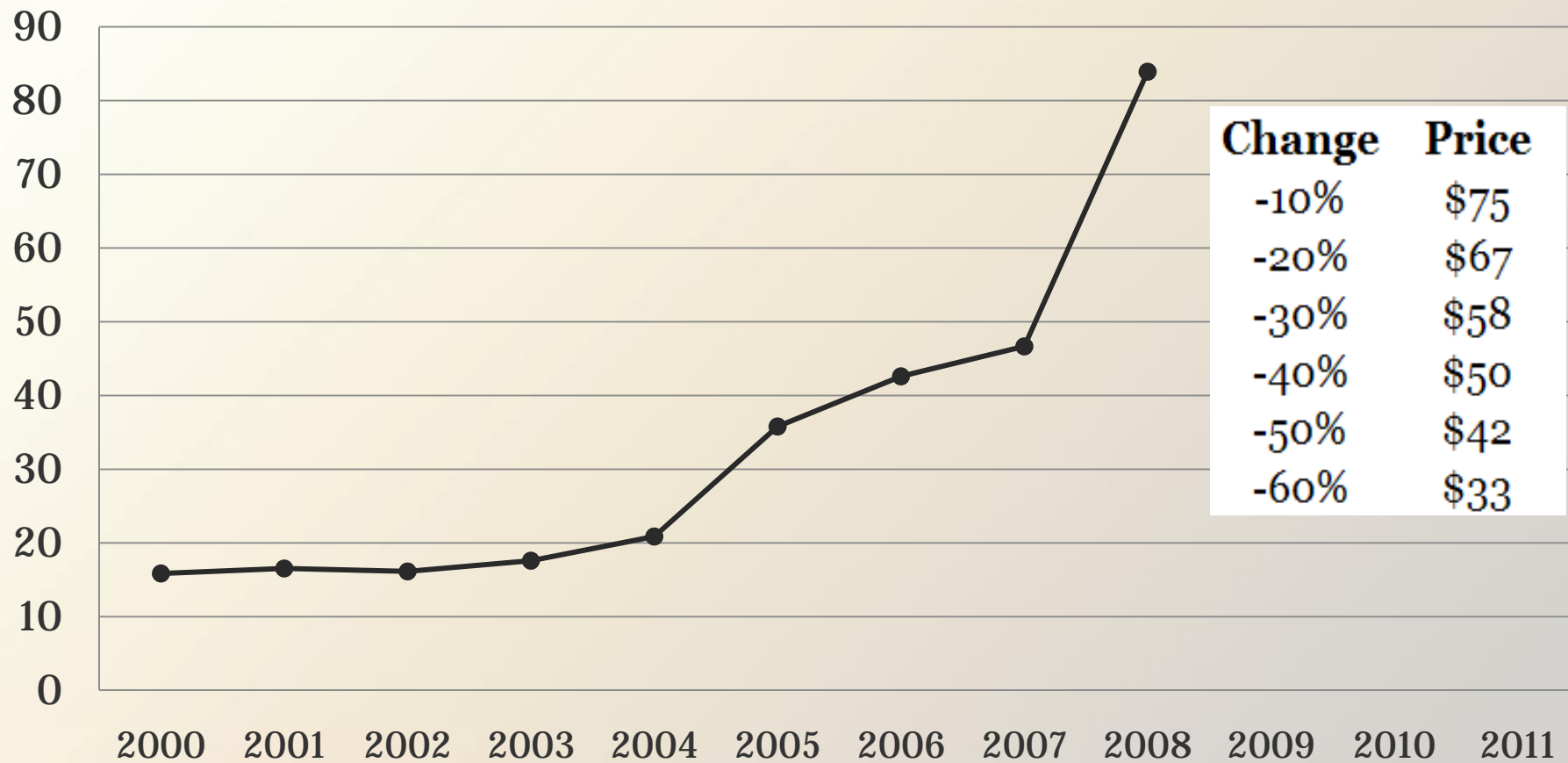


Hamersley Fines US\$/t @ 58% Fe



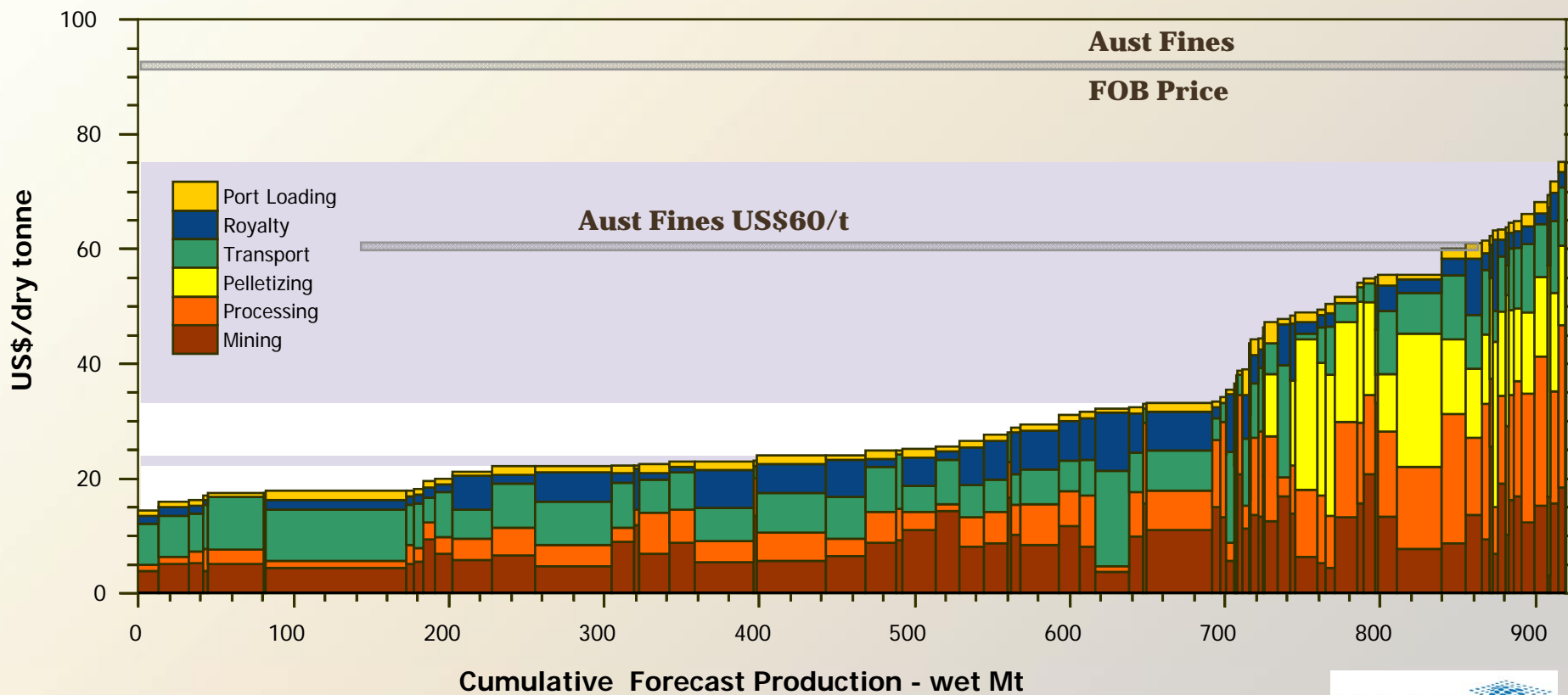


Hamersley Fines US\$/t @ 58% Fe





Iron Ore Cash FOB Costs for 2008 - by Site



Source: Metalytics Iron Ore Briefing Third Quarter 2008





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

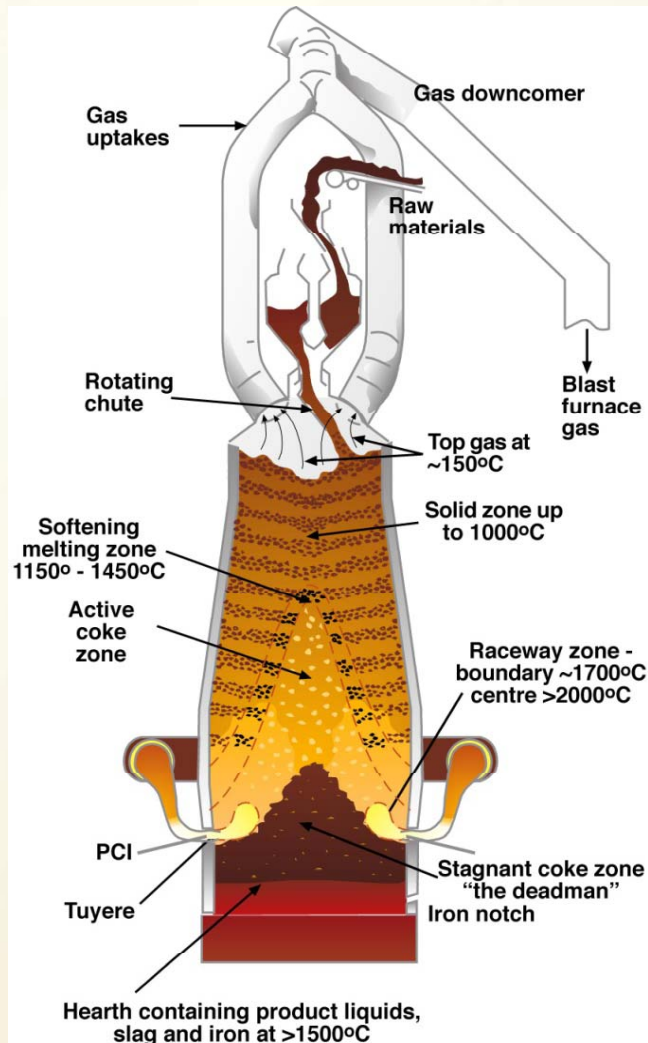
- For complete explanation see BC Iron release to the ASX, 31 March 2008
- The DSO resource estimate is a subset of the CID resource



Iron Smelting

- Iron is main ingredient in steel
- Iron making is carried out in a blast furnace at very high temperatures (~1400° C)
- Iron ore (Fe_2O_3) *reduced* to iron oxide (FeO)
- Iron oxide is melted forming molten “pig iron” metal – tapped from bottom
- Molten *slag* removes the waste – *Alumina, Silica, etc.*





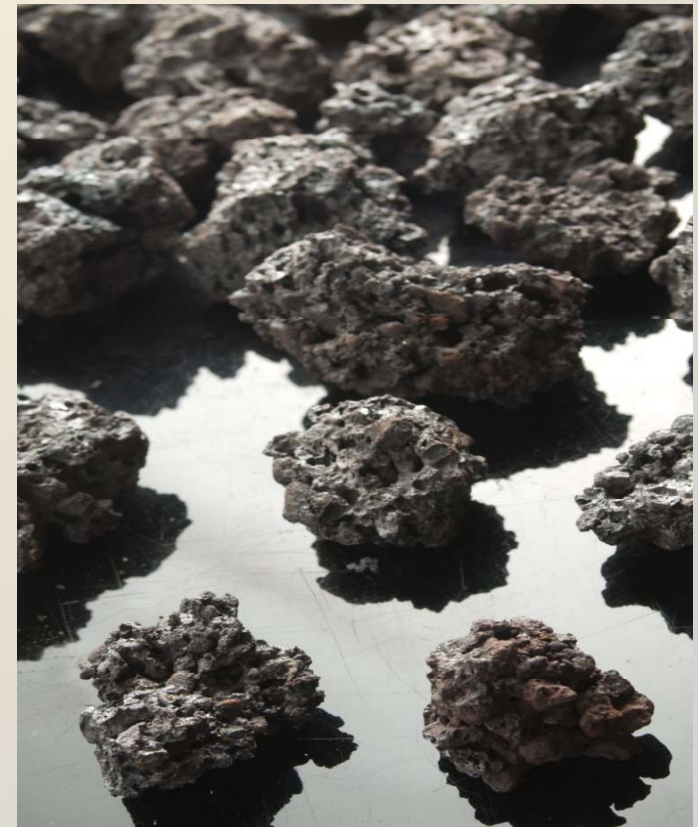
Blast furnace

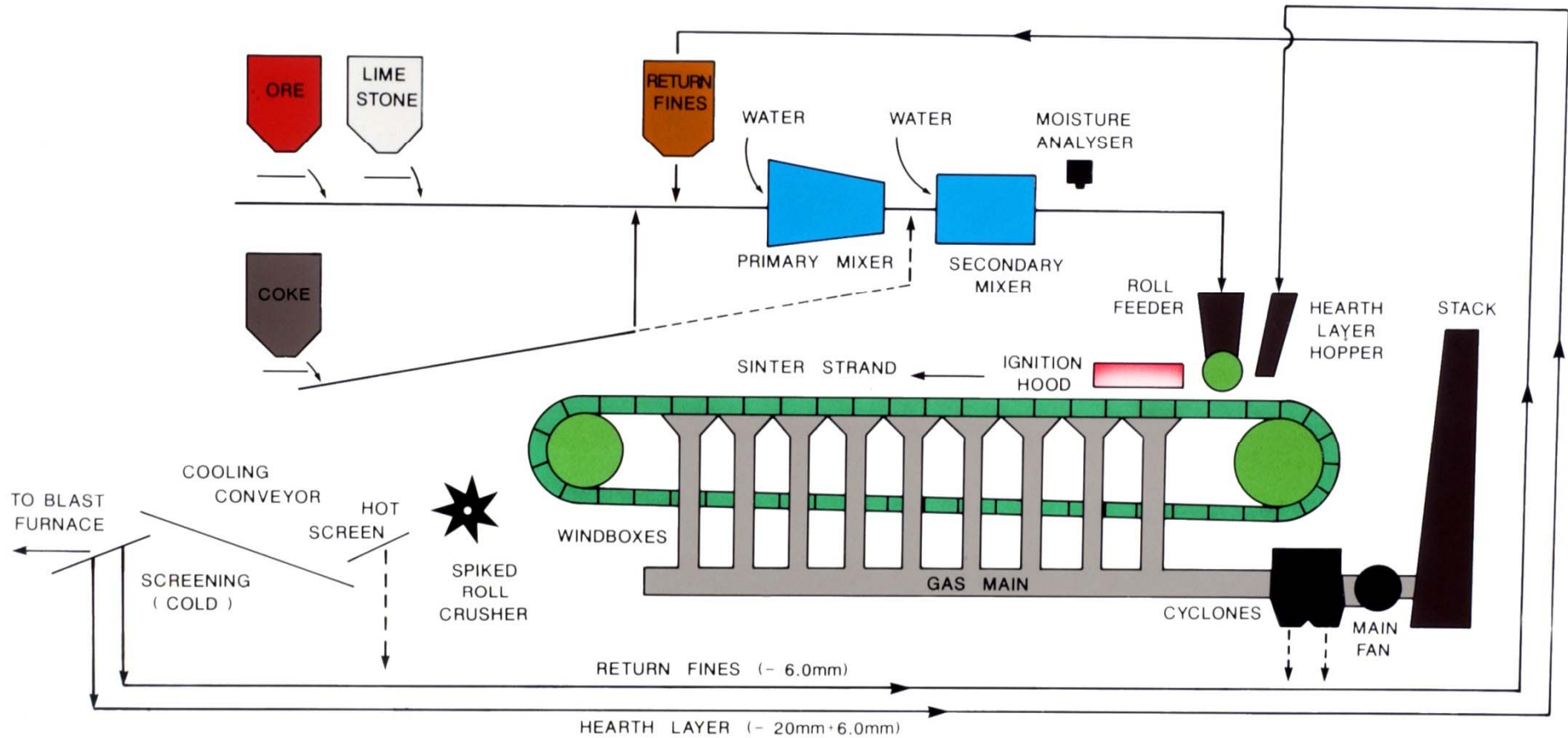
- Iron ore & coal are added at the top in alternating layers – *lump & coke only*
- Hot air is blasted into the bottom of the furnace
- Coke combustion creates hot CO which travels up, countercurrent to the descending burden
- Rising gases provide reducing environment for iron oxide
- Descending burden melts to create iron metal and slag



Sintering

- All iron ore mines produce a *lump* (6 – 30 mm) and a *finer* (< 6 mm) product
- Only lump ore can be used in the blast furnace
- Synthetic lump is made by from *finer* by high temperature agglomeration - ***sintering***
- Optimal physical properties of the sinter:
 - Strength, granularity, Fe content, reducibility
- Optimal sintering efficiency
 - Productivity, yield, assimilation



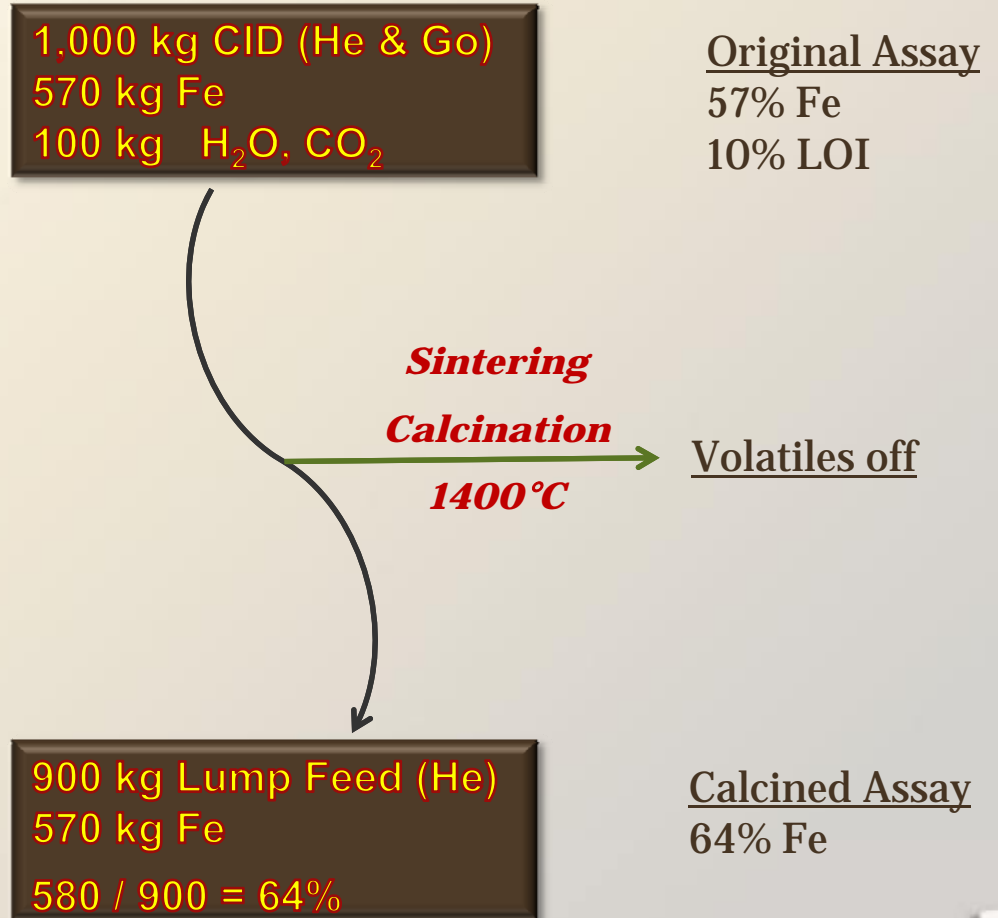




Sintering Qualities of BCI Ore

- Independantly tested in China
- Blended with a typical fines sinter
- Using 0, 10, 20, and 30% blend
- Resulted in increased quantity and quality of sinter – “First Class”
- Test work results:
 - Increased sinter yield
 - Improved sintering time
 - Improved tumble Index (strength)
 - Improved productivity
- Ultra-low Phosphorus (0.016%)

Sintering Upgrades BCI Ore



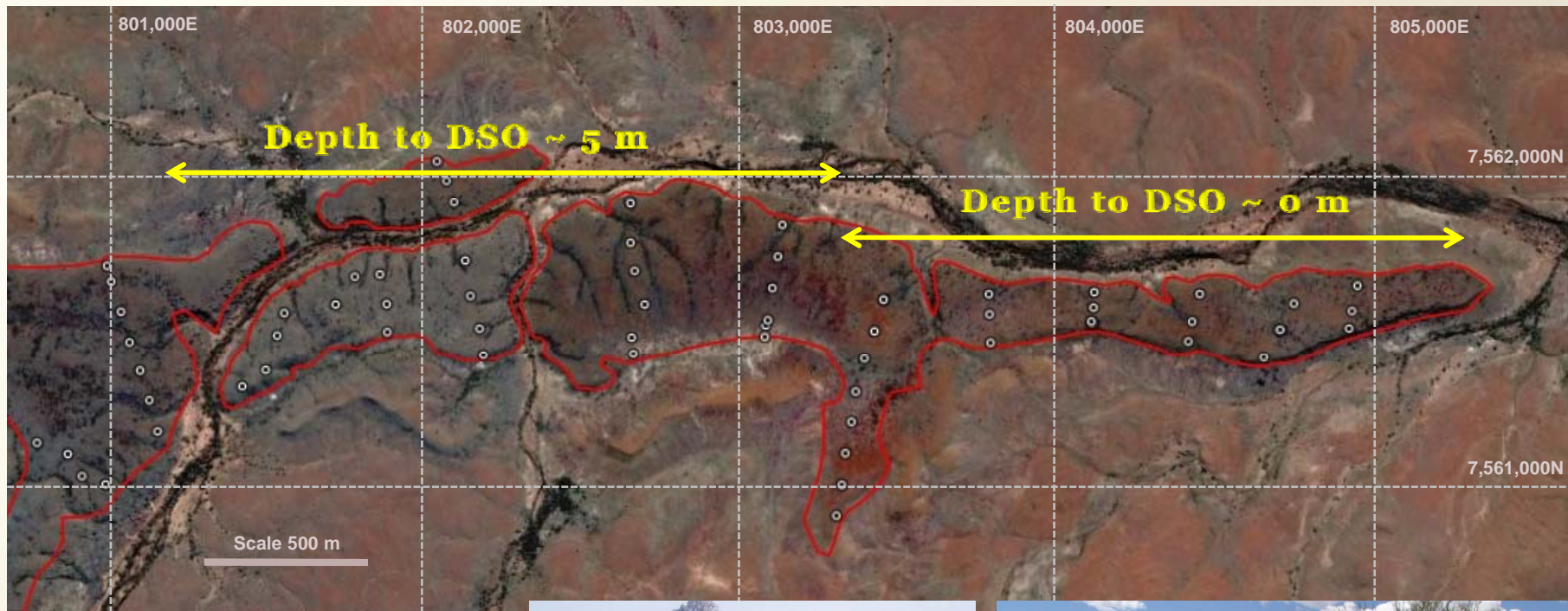


**Other DSO
Deposits**

Element/ Compound	Typical Spec	BCI CID Bonnie Ck	BHP CID Yandi	RIO CID Robe R	FMG Chichester
Fe	>57	57.4	58.0	57.0	59.1
CaFe		65.1	64.2	62.8	64.0
SiO ₂	3 – 5	3.0	5.0	5.7	4.2
Al ₂ O ₃	< 2.0	1.7	1.3	2.7	2.3
P	< 0.10	0.02	0.04	0.04	0.05
S	< 0.03	0.02	0.01	0.01	<i>n.a.</i>
LOI		11.8	9.7	9.2	7.6

BCI at 55% COG

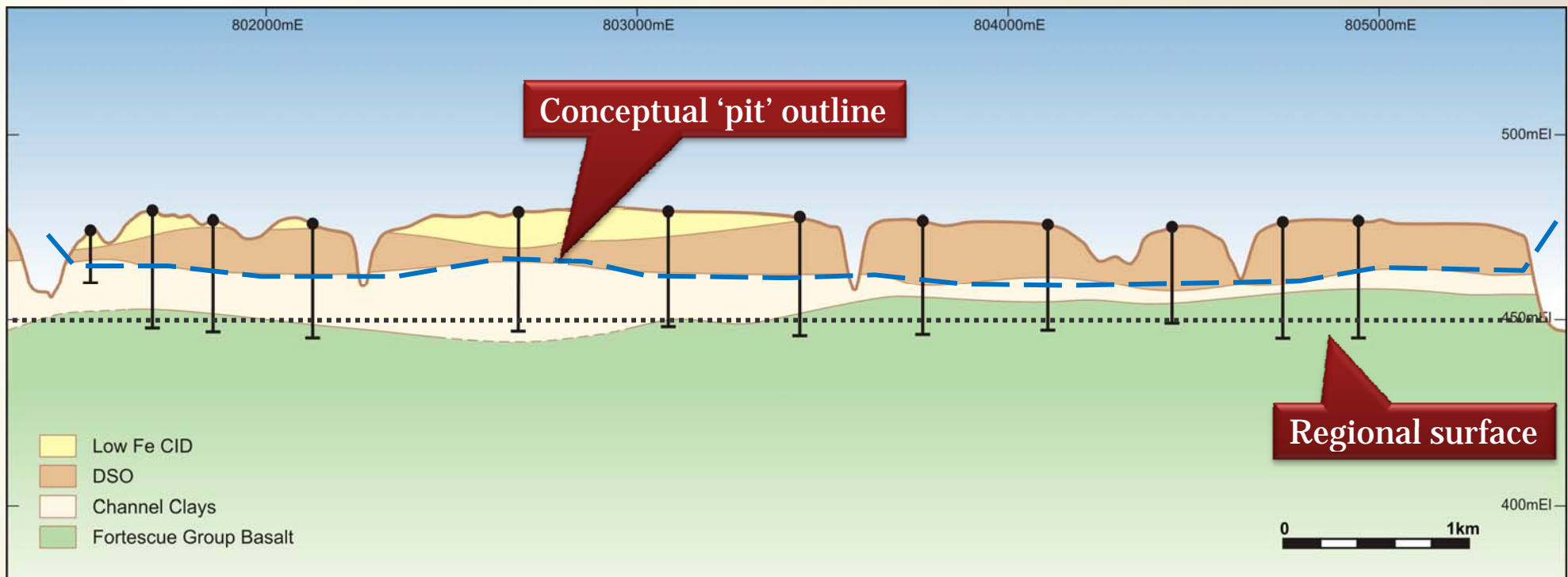
FMG, RIO and BHP data from corporate websites



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

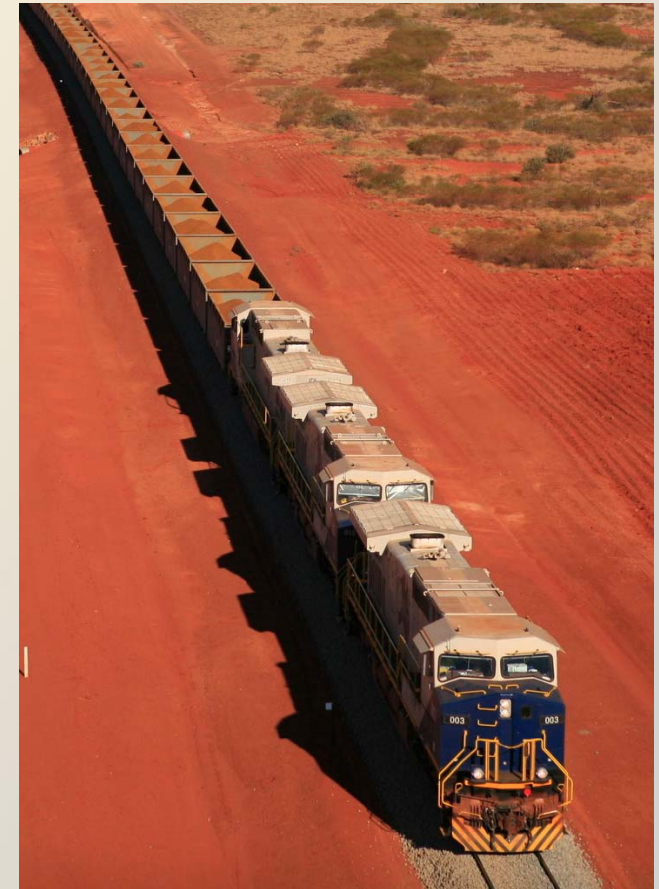


Short Term Strategy

- Rail Haulage Agreement with Fortescue
 - Utilise available rail/port capacity during Fortescue's production ramp-up phase 2010-11
 - Negotiate port access via common user facility and/or lease of alternate available capacity 2009-10

Long Term Strategy

- Rail Haulage with Fortescue
 - Port access via planned NWIOA facility - 2012
- Rail Access Agreement with Fortescue
 - Contract haulage by third party
 - Port access via NWIOA facility



Fortescue ore train – photo by BC Iron

- 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
 - ✓ Test work indicates “First Class” sinter blend – *high value in use*
 - ✓ Low contaminants, high calcined iron grades
- ...moving forward**
- ✓ “Fast Track” 1.5 Mtpa plan - \$20 - 30M CapEx
 - ✓ Bulk sample and sinter blend test work
 - ✓ Marketing China, India, Japan, SE Asia
 - ✓ Establish access to infrastructure – FMG/Port Hedland/NWIOA
 - ✓ Path to cash flow - *path to growth*



Coongan Well



BC IRON
LIMITED

Mike Young, Managing Director
Unit 8, 8 Clive Street, West Perth, WA, 6005

P: +61 8 9324 3200

E: info@bciron.com.au

W: www.bciron.com.au