



Nullagine Iron Ore Project
Rising Stars Conference
September 2009

Mike Young
Managing Director

- A junior iron ore developer – *near production*
- Direct Shipping, high-quality **Sinter Blend Ore**
- Channel iron deposit – Yandi-style pisolite
- 50:50 Joint venture between BC Iron Nullagine Pty Ltd (BCIN) and Chichester Metals Pty Ltd (FMG)
- Infrastructure solution – Rail Haulage and Port Access with TPI/FMG
- Marketing – On going discussions with Chinese mills for Nullagine Pisolite



History of BC Iron – staying focussed

- BC Iron lists on ASX in December 2006
- Resource drilling identifies DSO at Outcamp - May 2007
- MoU for rail and port access with Fortescue Metals Group - July 2007
- Drilling to Ore Reserves - 2007 through 2009
- Feasibility Study Complete - June 2009
- Capital raising \$22M – July 2009
- Joint Venture with FMG - rail haulage and port agreement – August 2009
- Production 1st half 2010 – ***Listing to mining in 3 1/2 years***

Capital Structure

	Number
Shares	80.3M
Options	5.7M

Fully Diluted Total 86.0M

Market Cap @ \$1.20 \$96 M

Cash on hand \$22 M

Major Shareholders	Number	% Total
Consolidated Minerals	18.2M	23%
Regent Pacific Group	10.2M	13%
Alkane Resources	5.0M	6%
TOTAL	33.4M	42%

Board

Tony Kiernan – Chairman

Mike Young – Managing Director

Garth Higgs – Non-exec Director

Terry Ransted – Non-exec Director

Steven Chadwick – Non-exec Director

Management

Morgan Ball – Chief Financial Officer

Simon Storm – Company Secretary

Blair Duncan – Chief Operations Officer

Greg Hudson – Chief Geologist

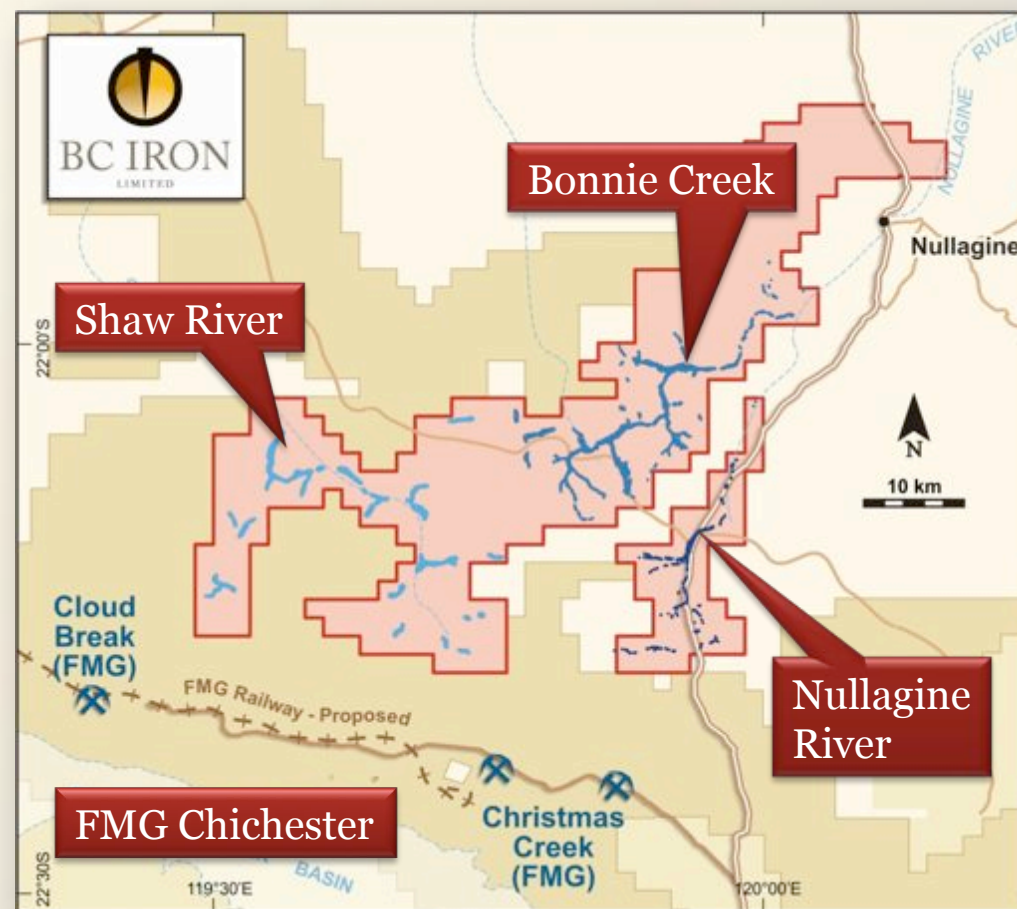
Paul Vermeulen – Technical Marketing

Bonnie Creek CID

- Reserves of 36 Mt @ 57% Fe
- Resources of 51 Mt DSO @ 57.0% Fe
- High CaFe, low Al_2O_3 & ultra-low P
- Mesa-style mineralisation

Nullagine River & Shaw River CID

- DSO & upgrade CID (~15 Mt)



Nullagine Joint Venture

- BC Iron & Chichester Metals - 50:50 unincorporated JV
- Up to \$10m contribution each – remainder project finance
- BCI manages JV – mining, sales, marketing
- TPI manages rail haulage and port services
- Price participation on sales over US\$60/t up to 3 Mtpa

Infrastructure

- Heavy road haul to railhead (BCI)
- Rail haulage and port services (TPI)



June 2009 – Reserves and Resources Statement

Probable Ore Reserves

Pit	Mt	Fe	CaFe	SiO ₂	Al ₂ O ₃	P	S	LOI ₁₀₀₀
Outcamp	19.2	56.8	64.8	3.21	1.92	0.01	0.01	12.2
Warrigal	10.3	57.0	64.5	3.67	2.13	0.02	0.01	11.7
Coongan	6.0	57.0	65.1	2.52	1.82	0.01	0.01	12.4
TOTAL	35.6	56.9	64.7	3.23	1.96	0.02	0.01	12.1

DSO Resource Estimate

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

- The Ore Reserve is a subset of the Resource Estimate
- $CaFe = Fe / (100 - LOI) * 100$
- Total for Joint Venture – (FMG earning 50%)

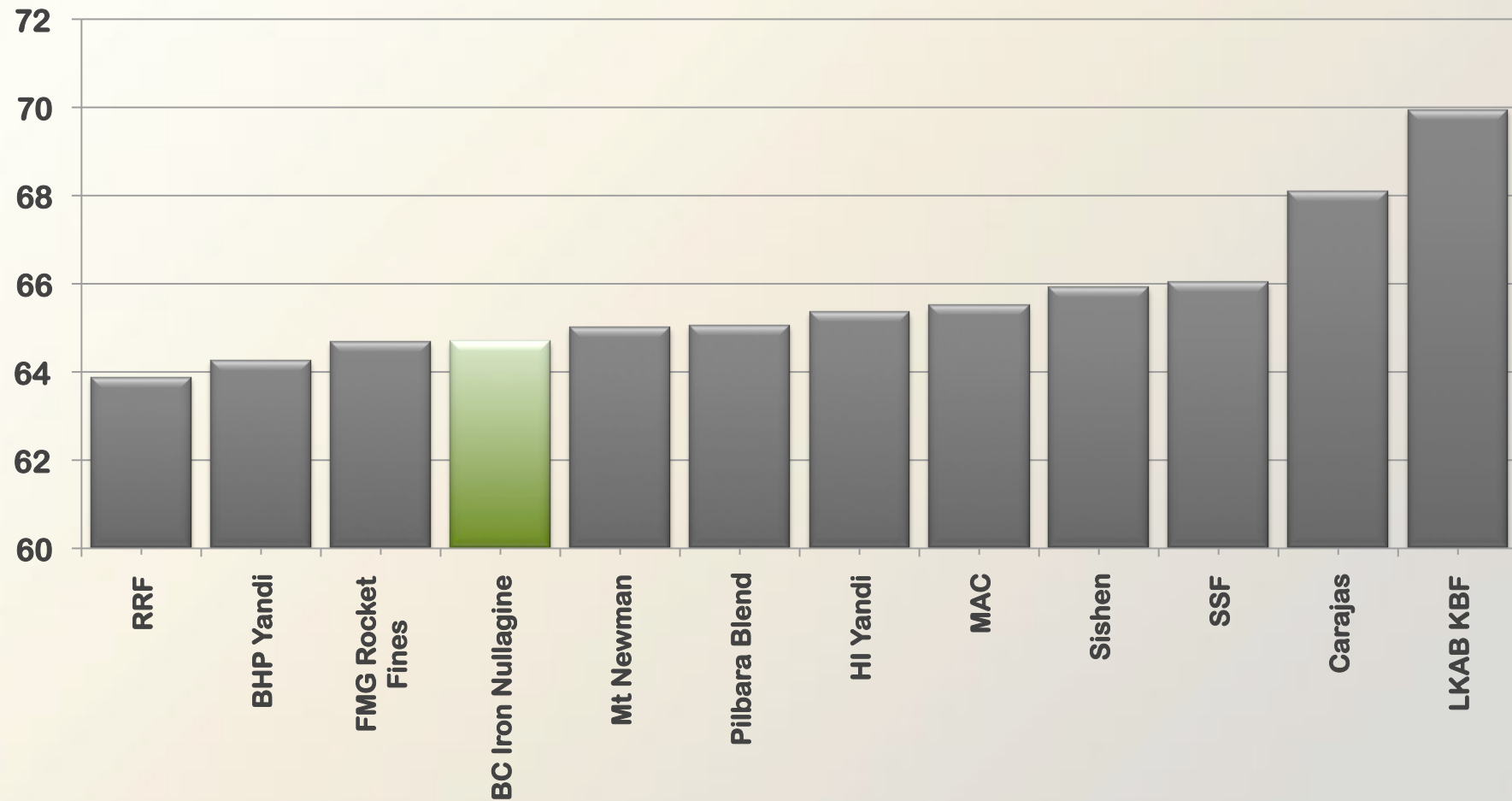
Element	Nullagine DSO Reserve	Yandi/Robe DSO	Pilbara Fines DSO
Fe	57	57 – 58.5	58 - 64
Calcined Fe*	65	64	63-65
SiO ₂	3.2	3 – 6	3 – 4
Al ₂ O ₃	1.9	1.4 – 2.7	1.3 – 2.1
P	<0.02	~0.04	0.05 – 0.09
LOI	12	9-11	3-8
Size -0.15mm	14	5-20	10-30

Direct Shipping Ore (DSO)

- Typically bedded hematite or pisolitic channel iron deposits
- No beneficiation required – simple mining, crushing and screening, and transport
- At or close to accepted specifications

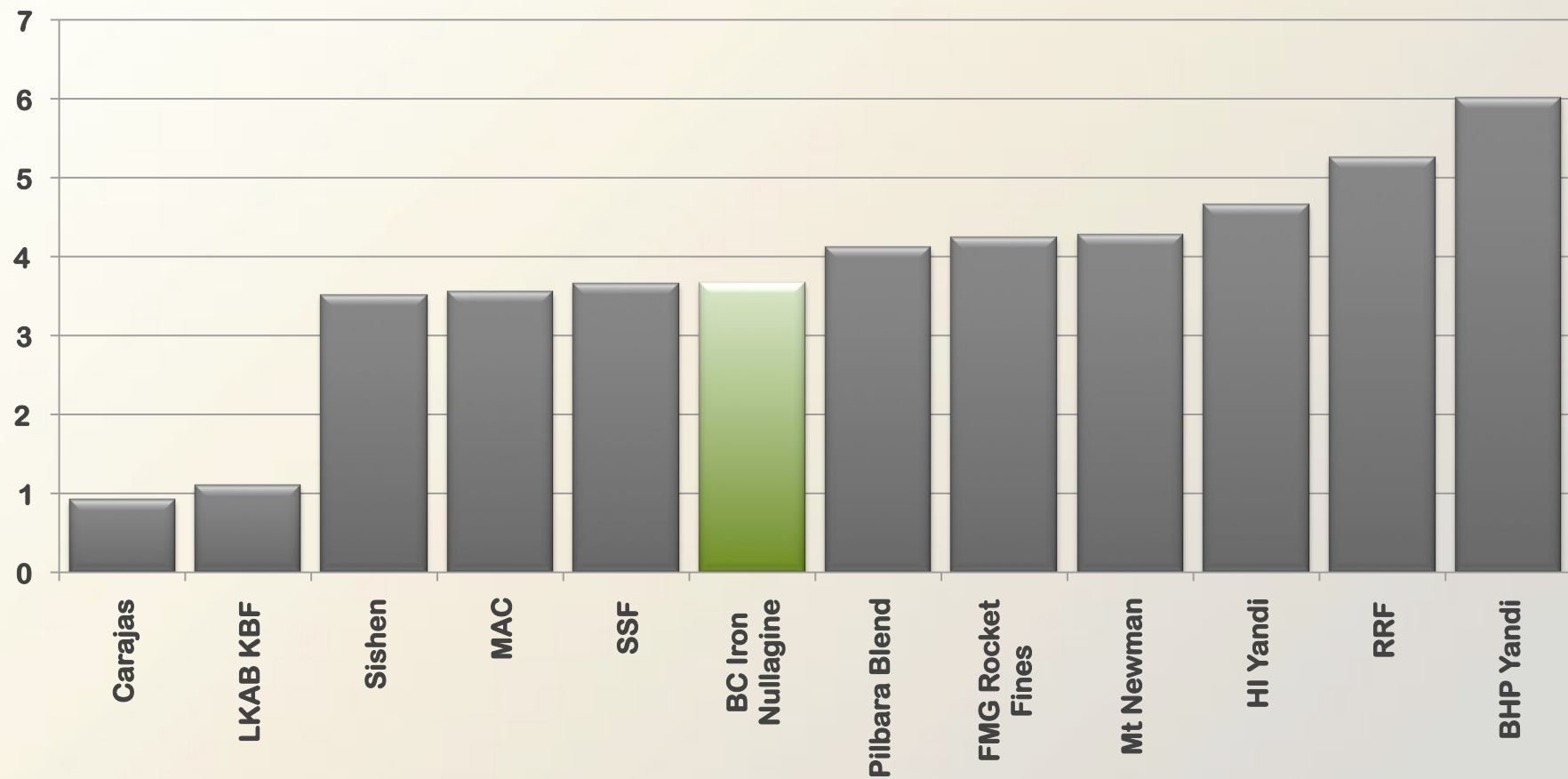


Calcined Fe



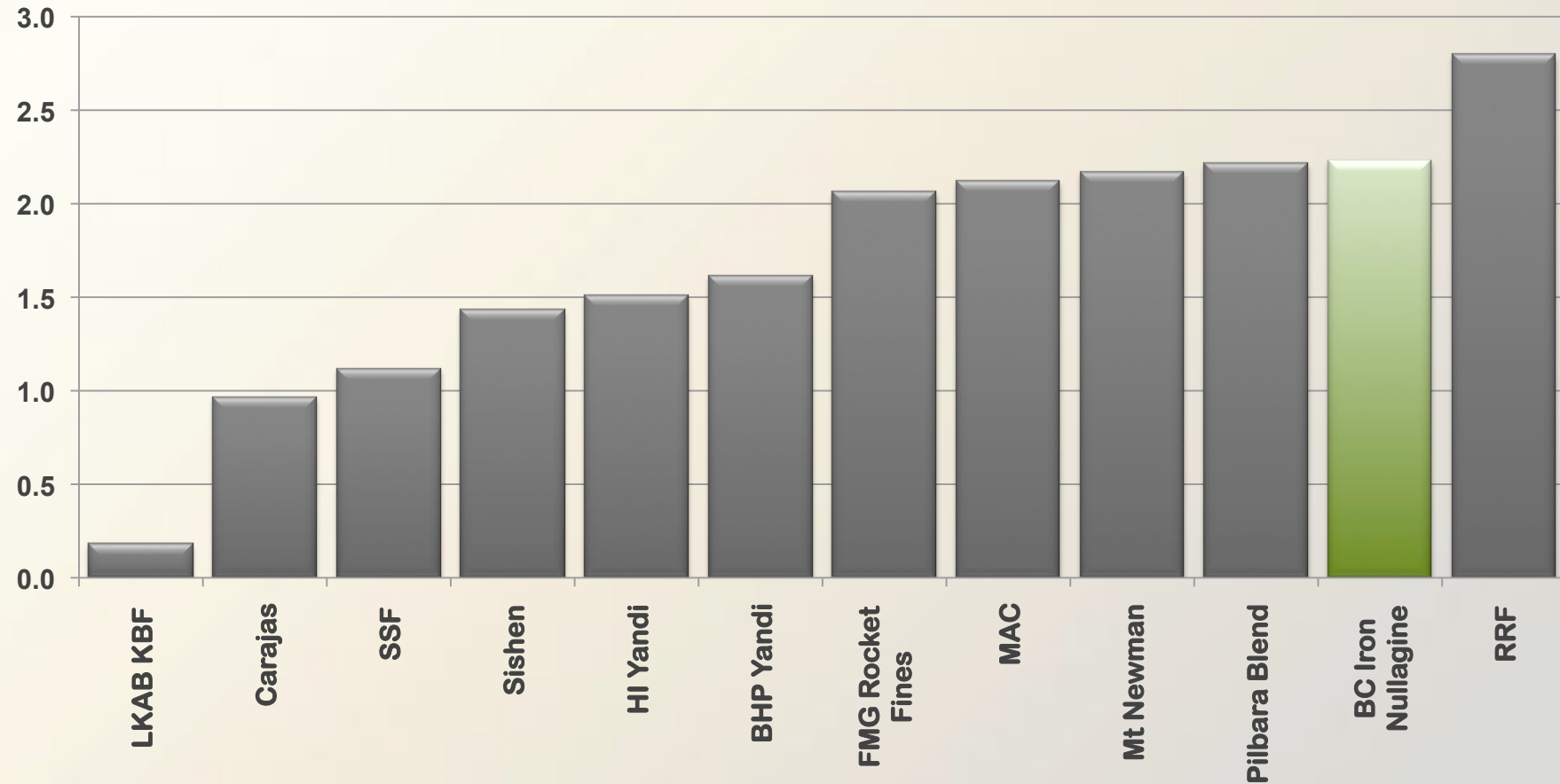


Calcined SiO₂



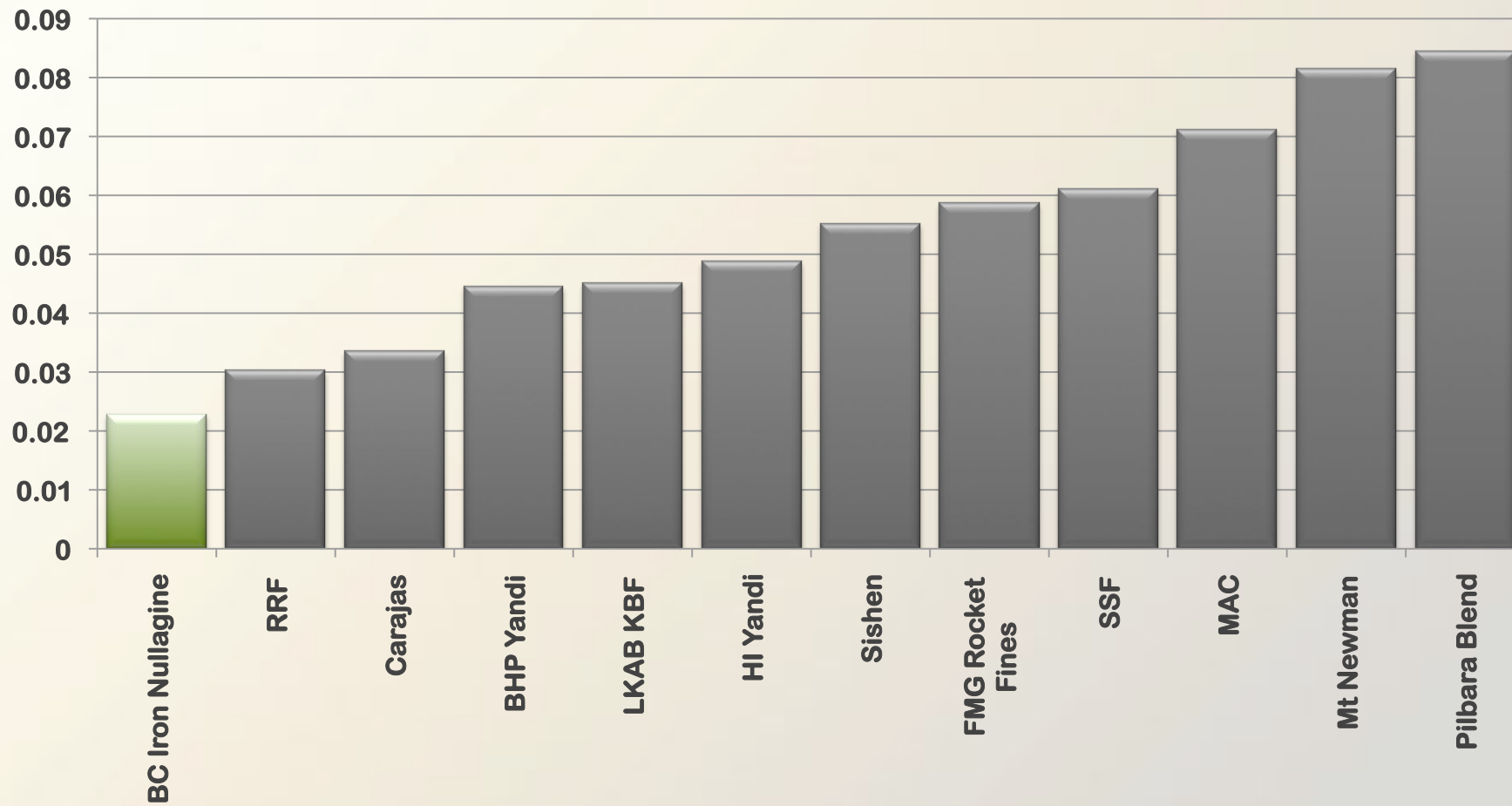


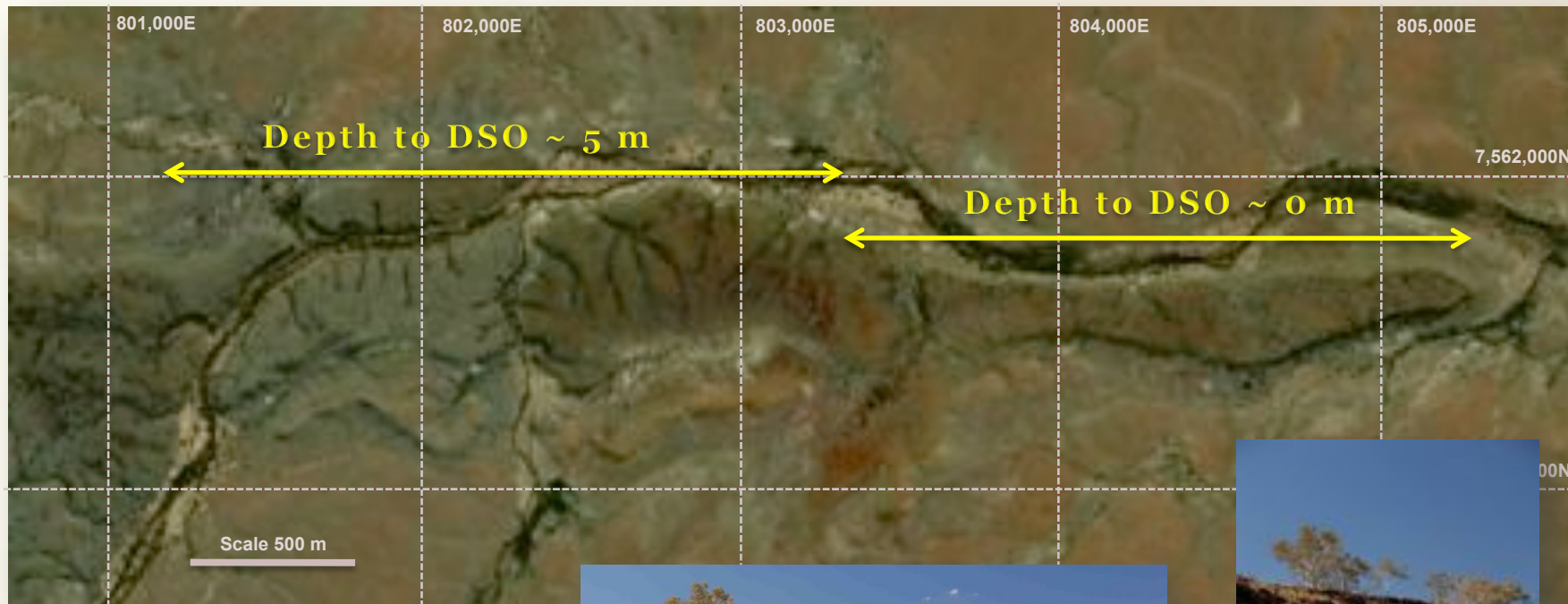
Calcined Al_2O_3





Calcined P

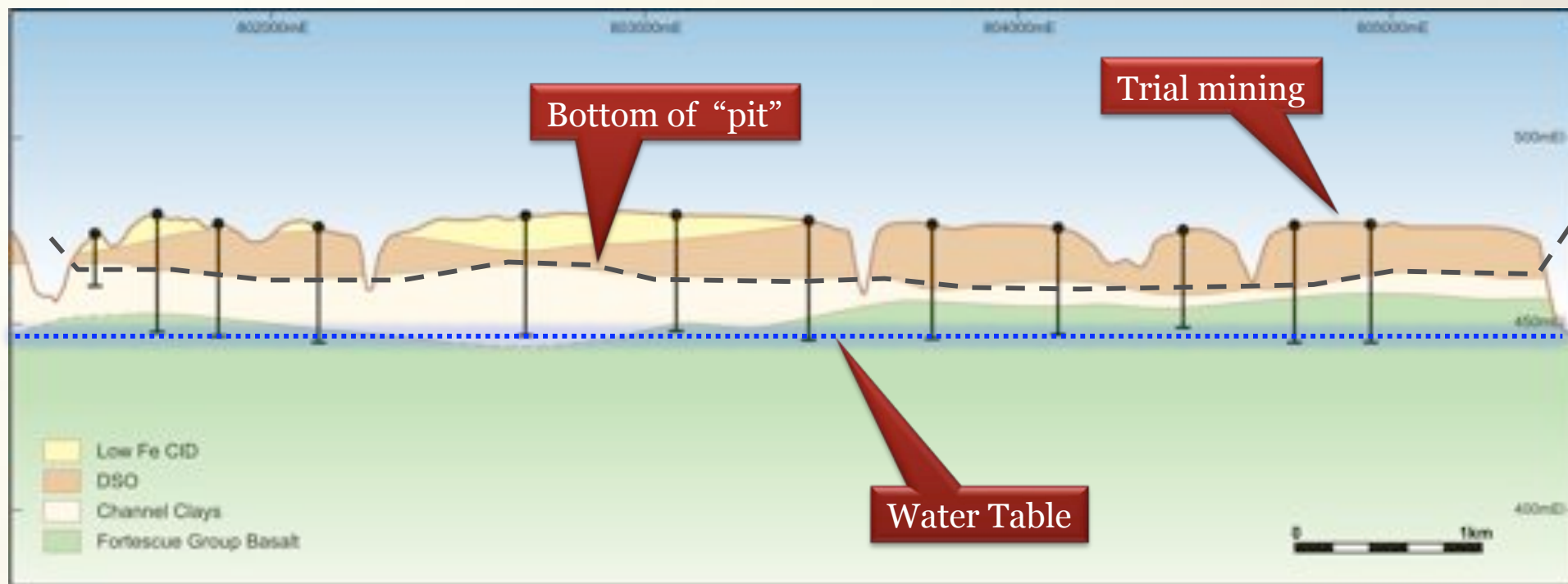




Outcamp Deposit

- Outcropping mesa –style
- Low waste to ore ratio
- Above water table
- No pit – mining off the top





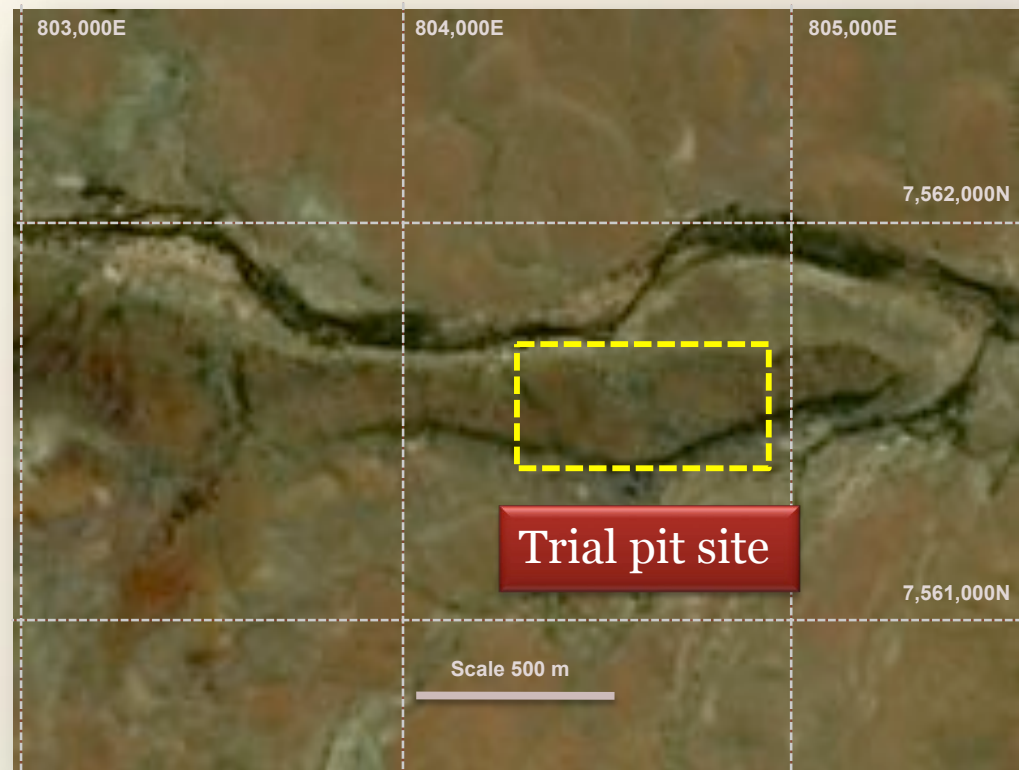
- Shallow “pits” mainly above surrounding plains - mining ore from day 1
- Above water table - lower environmental impact
- Low OpEx - low strip ratio, use of surface miners

Trial mine and bulk sample

- Testing performance of two types of surface miners
- Assess geology, reconciliation and metallurgy
- Assessing mill throughput and product sizing

Contractors

- UEA - Vermeer surface miner
- WA Surface Mining – Wirtgen SM
- Rapids Crushing – crushing, screening and earthmoving
- Vulcan Tech and SGS - metallurgy
- Golder Assoc – mine geology and sampling





VERMEER TL1255 commences at Outcamp Well - NIOJV

Engineering benefits

- Selective mining – higher recovery
- Lower dilution and lower ore loss
- Drill & blast *not required*
- Primary crushing *not required*

Environmental benefits

- Improved and safer mesa edge control
- Drainage management – siltation minimised
- Reduced vibration and ecosystem disturbance



Wirtgen 2500SM commences at Outcamp Well - NIOJV



BC IRON
LIMITED

NULLAGINE PROJECT – Mining

| www.bciron.com.au





BC IRON
LIMITED

TRIAL MINING

April 2008 | www.bciron.com.au





BC IRON
LIMITED

TRIAL MINING

April 2008 | www.bciron.com.au



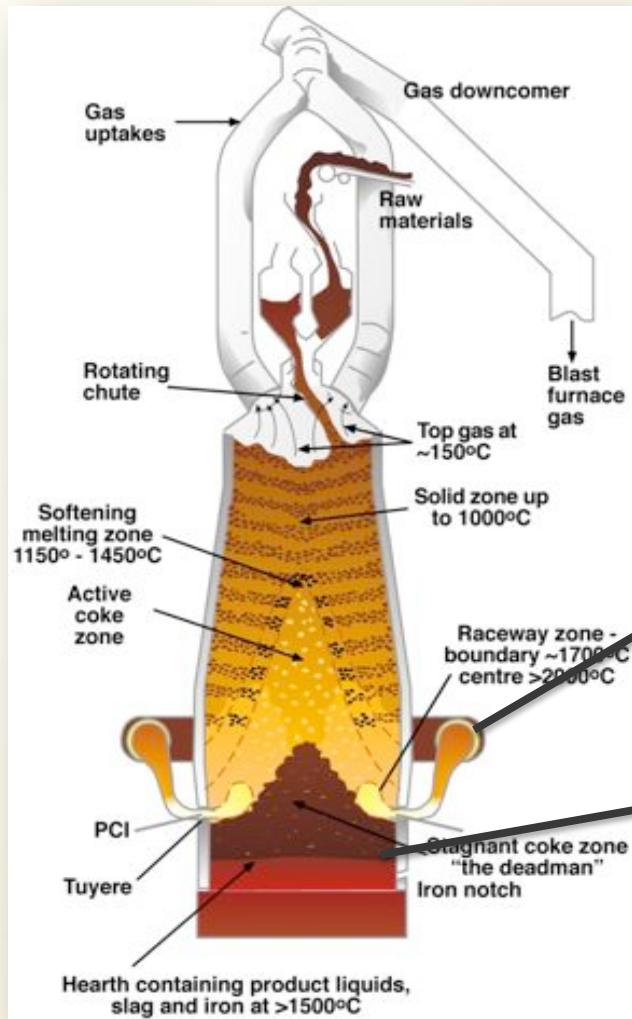


BC IRON
LIMITED

TRIAL MINING

April 2008 | www.bciron.com.au





Sintering

- All iron ore mines produce a *lump* and *finer* but only lump can be used in the blast furnace
- Synthetic lump is made by from *finer* by high temperature agglomeration - **sintering**
- Sintering creates “**Made to order lump**”
- Optimal physical properties of the sinter:
 - Strength, Fe content, impurities, reducibility
- Optimal sintering efficiency
 - Productivity, yield, assimilation (how particles melt together)



Sinter strand

Why is NIOP ore so good?

Chemical advantages

- Ultra-low Phosphorous (<0.02%)
- High Calcined Fe (>64%)

Physical advantages

- Low ultra-fines – improves sintering speed
- Large fines product sizing (9-10 mm) – lower crushing costs

Sintering advantages (Results from Shandong University, PRC)

- Sintering efficiency up 10% (Yield increased from 66% up to 77%)
- Productivity up 40% (Increased from 1.05 to 1.48 t/m²/hr)
- Sinter strength improved (Tumble Index up from 64% to 68%)
- Considered a '**First Class**' sinter blend feedstock



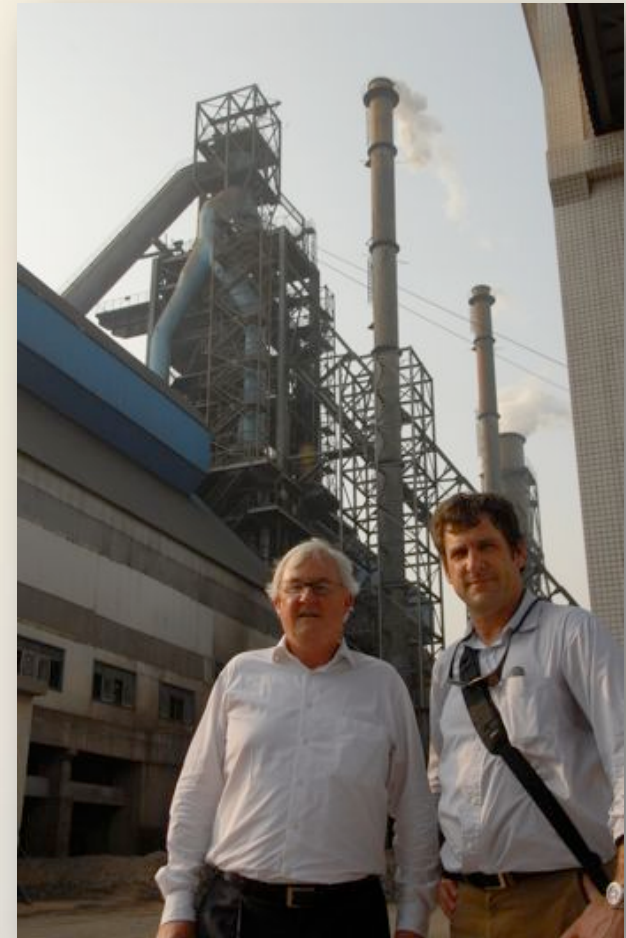
Ignition hood on sinter strand

Marketing trip to China – July 2009

- Visited 4 Steel mills and 2 stockists
- Use and understand pisolite fines
- Will pay reference price (HI Fines Japanese settlement FY09 – USDo.97 dmtu)

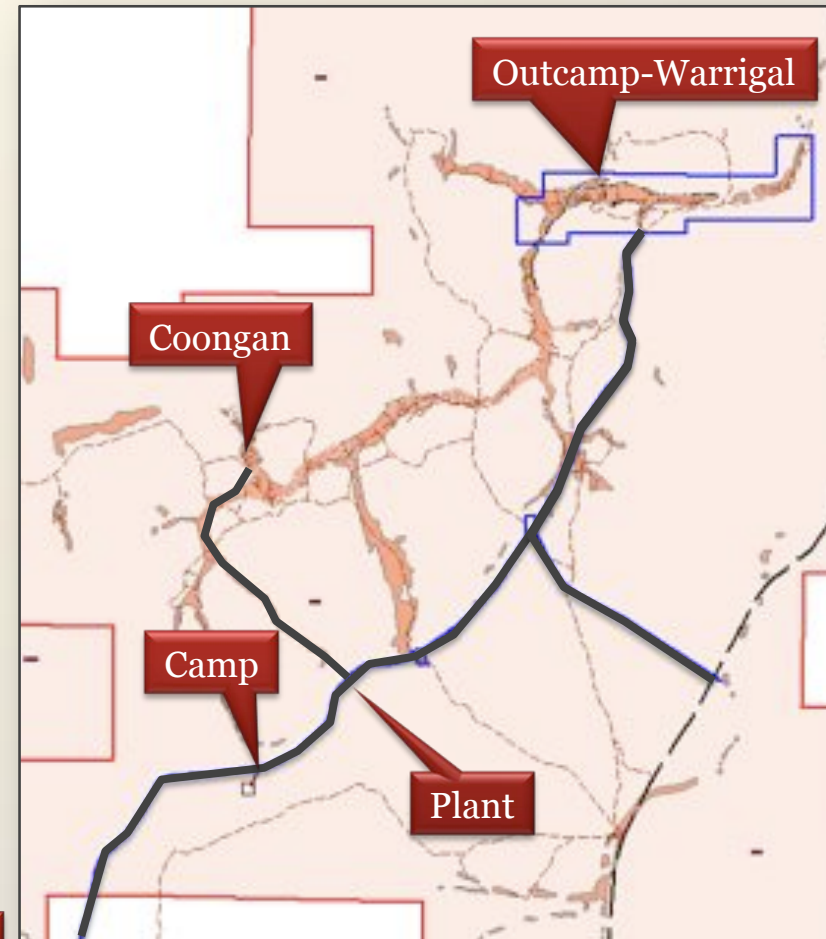
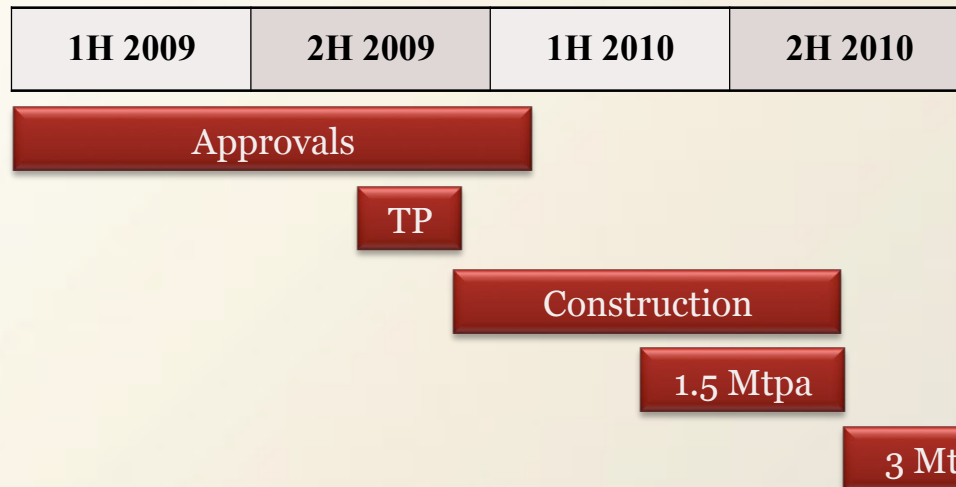
Marketing Strategy

- Customised sinter blend – High Value in Use
- Develop Long Term Contracts with mills that require our specific product – relationship sales
- Link offtake to project finance



Blast furnaces

- Feasibility Study Complete June 2009
- Test Pit Bulk Sample *Underway*
- Construction Commences 2nd Half 2009
- Mining Approvals 1st Half 2010
- Production Start-up 1.5 Mtpa 1st Half 2010
- Production Ramp-up 3.0 Mtpa 2nd Half 2010



Timetable conceptual only and dependant on mining approvals

“Filling in the blanks....”

Iron Ore Investors' Checklist							
COMPANY	BC Iron						
High quality DSO	Yes						
Simple mining method	Yes						
Low Ore:Waste ratio	Yes						
Low CapEx/OpEx	Yes						
Simple infrastructure	Yes						
Access to railway	Yes						
Access to port	Yes						
Customers	Yes						

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 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 Estimate has been compiled by Mr Richard Gaze who is a member of. 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.

The information that relates to the Ore Reserves is based on information compiled by Mr Blair Duncan who is a Member of the Australasian Institute of Mining and Metallurgy and an employee of BC Iron Limited and by Mr Pieter Doelman who is a Member of the Australasian Institute of Mining and Metallurgy and an employee of Coffey Mining Pty Ltd. Both Mr Duncan and Mr Doelman 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 Duncan and Mr Doelman consent to the inclusion in their names in the matters based on their information in the form and context in which it appears

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.



BC IRON
LIMITED

Mike Young, Managing Director

Blair Duncan, Operations Manager

Unit 8, 8 Clive Street, West Perth, WA, 6005

P: +61 8 9324 3200

E: info@bciron.com.au

W: www.bciron.com.au