

ASX RELEASE – 21 MARCH 2011

BC Iron to challenge Regent’s purported Scheme Termination

BC Iron Limited (“**BC Iron**”) (ASX: BCI) intends to apply to the Takeovers Panel to challenge the validity of Regent Pacific Limited's (“**Regent**”) purported termination of the Scheme Implementation Agreement (“**SIA**”) between the companies as announced on Tuesday 15 March 2011.

BC Iron has written to Regent rejecting its purported termination of the SIA and requesting that it withdraw its purported termination of the SIA.

BC Iron intends to file an application with the Takeovers Panel shortly, seeking a declaration of unacceptable circumstances and orders requiring it to proceed in accordance with the SIA.

BC Iron's Directors remain committed to ensuring all of its shareholders have an equal opportunity to consider the merits of the Scheme of Arrangement in a fully informed manner. Prior to the purported termination of the SIA, the Scheme Booklet and associated documents were well progressed. Should the Takeovers Panel decide to intervene and provide the requested relief, BC Iron will resume the process of finalising the Scheme Booklet and Independent Expert's Report and as a first step, will be in a position to promptly lodge the Scheme Booklet with ASIC as it is required to do as part of the scheme process.

BC Iron will inform shareholders as soon as the outcome of the Takeovers Panel application is known.

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FOR FURTHER INFORMATION:

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About BC Iron Limited

BC Iron is an iron ore development and mining company with key assets in the Pilbara region of WA. The Company's core asset is the Nullagine Iron Ore Project, a 50/50 joint venture with Fortescue Metals Group Limited. The JV will use Fortescue's infrastructure at Christmas Creek, 50 km south of the Mine, to rail its ore to Port Hedland from where it will be shipped to customers overseas. Mining commenced in November 2010 and first ore on ship occurred in February 2011 - just over four years from listing on the ASX.

Website: www.bciron.com.au