

Resignation of Non-Executive Director

Australian iron ore producer, BC Iron Limited (“**BC Iron**” or “**the Company**”) (ASX: **BCI**) wishes to advise that Mr Jamie Gibson, Chief Executive Officer of BC Iron substantial shareholder Regent Pacific Group Limited (“**Regent Pacific**”), has resigned as a Non-Executive Director of BC Iron with immediate effect.

Mr. Gibson’s resignation follows Regent Pacific’s decision to seek a 12 month disposal mandate from its shareholders to provide it with the flexibility to dispose of all or part of its BC Iron shares, should it wish to do so. The disposal mandate is being sought under and pursuant to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited, but places no obligation on Regent Pacific to sell the shares.

Regent Pacific currently holds 24,002,698 shares in BC Iron representing approximately 20.1% of BC Iron’s issued capital.

Regent Pacific has advised BC Iron it has made no decision at this stage to sell its BC Iron shares. Tony Kiernan, Chairman of BC Iron said: “I would like to acknowledge the considerable support Regent Pacific has provided to BC Iron over the years having taking its initial holding in the Company some years ago. I would also like to particularly thank Jamie for his effective contribution to the Board”.

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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 Western Australia. The Company's core focus is the Nullagine Iron Ore Project, an unincorporated joint venture with Fortescue Metals Group Limited. The NJV uses Fortescue's infrastructure at Christmas Creek, 50 km south of the Nullagine mine, to rail its ore to Port Hedland from where it is shipped directly to customers overseas.

BC Iron has had outstanding success since listing in December 2006. Iron ore exports commenced in February 2011 and since then, the NJV has exported approximately 5.8Mt of iron ore. As of May 2012, the NJV is operating at a production rate of 5Mtpa and is expected to reach a nameplate production rate of 6Mtpa during Q4 FY2013.

On 10 December 2012, BC Iron announced that it had entered into an agreement to increase its interest in the NJV to 75% while also reaching agreement with Fortescue to increase the available infrastructure capacity and hence production of the NJV to 6Mtpa with BC Iron's attributable production being 4.5Mtpa.

On 12 December 2012, BC Iron confirmed the successful completion of a fully underwritten ~\$47 million institutional placement with a final issue price of A\$3.04 per share, a 6.0% premium to the 5 day volume weighted average price for the period ending on 7 December 2012 of approximately \$2.87 per share.

In August 2012, BC Iron entered into an Iron Ore Strategic Alliance with Cleveland Mining to acquire and co-develop new iron ore projects in Brazil. Under the terms of this 50:50 Joint Venture, BC Iron acquired a 5% equity stake in Cleveland Mining.

The Company is now set to move into the next phase of development through measured consideration of business development opportunities.

Key Statistics

Shares on issue prior to the SPP: 119.4 million

Cash & equivalents:

30 September 2012 ~\$81m

Board and Management:	Tony Kiernan	Chairman & Non-Executive Director
	Mike Young	Managing Director
	Morgan Ball	Finance Director
	Terry Ransted	Non-Executive Director
	Andy Haslam	Non-Executive Director
	Malcolm McComas	Non-Executive Director
	Linda Edge	Company Secretary

Website: www.bcion.com.au