

ASX RELEASE – 24 JANUARY 2013

SHARE PURCHASE PLAN UPDATE – SHARES ISSUED

BC Iron Limited (“**Company**”) (**ASX: BCI**) is pleased to advise that the Company has today issued shares to shareholders under the Company’s oversubscribed \$10 million Share Purchase Plan (“**Plan**”).

The Company received applications for approximately \$12.7 million worth of shares, resulting in a scale back in accordance with the terms and conditions of the Plan. Shareholders will be issued approximately 78.86% of the shares they subscribed for, as follows:

Parcel of shares applied for under the Plan	Number of shares issued (after scale back)
\$2,500 (being 822 shares)	648
\$5,000 (being 1644 shares)	1,297
\$10,000 (being 3289 shares)	2,594
\$15,000 (being 4934 shares)	3,891

Holding statements will be dispatched to shareholders on 25 January 2013. Refunds for excess subscription funds are being processed by the Company’s share registry and are due to be returned to shareholders on 30 January 2013.

The Company is pleased with the response from its shareholders and thanks them for their continuing support.

- ENDS -

For further information:

Mike Young / Morgan Ball
Managing Director / Finance Director
BC Iron Limited
Telephone: +61 8 6311 3400

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 75:25 joint venture with Fortescue Metals Group Limited. The NJV uses Fortescue's infrastructure at Christmas Creek, 50km 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 6.1Mt of iron ore. As of May 2012, the NJV has been operating at a production rate of 5Mtpa and is expected to reach a nameplate production rate of 6Mtpa during Q4 FY2013.

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 after SPP: 122.7 million

Cash & equivalents: 31 December 2012 \$58.3M

Board:	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

Major Shareholders:	Consolidated Minerals	23.2%
	Henghou Industries	8.4%
	Ausbil Dexia Ltd	5.5%
	Tribeca Investment Partners Pty Ltd	5.1%