



BC IRON LIMITED

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11 June 2008

BC IRON ENDORSES NEW GOVERNMENT PAPER ON THIRD PARTY RAIL HAULAGE ACCESS

BC Iron Limited (ASX: **BCI** – “BC Iron”), as a member of the North West Iron Ore Alliance (NWIOA), has today welcomed the draft public consultation paper relating to the Pilbara Railways Third Party Haulage Regime, which was released by the Western Australian Department of Treasury & Finance yesterday.

BC Iron’s Managing Director Mike Young said he was pleased with the governmental pledge to continue to support and enforce state agreements with BHP Billiton and Rio Tinto for the provision of iron ore transport haulage using the existing rail infrastructure

“The release of this paper is an important show of support from the Western Australian Government and further reinforces the outstanding potential of BC Iron’s Pilbara asset base,” said Mr Young.

Please see below for North West Iron Ore Alliance media release.

- ENDS -

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Media Announcement

Wednesday 11 June 2008

NORTH WEST IRON ORE ALLIANCE WELCOMES GOVERNMENT COMMITMENT TO ENFORCE STATE AGREEMENTS FOR PILBARA RAIL ACCESS

The North West Iron Ore Alliance has welcomed the release of the draft Pilbara Railways Third Party Haulage Regime and public consultation paper, which was released by the Western Australian Department of Treasury & Finance yesterday.

The Alliance said today (**Wednesday**) that it was pleased by the Government's commitment to honour and enforce existing decades-old State Agreements with BHP Billiton and Rio Tinto, which require the two companies to provide third party iron ore haulage on their Pilbara rail infrastructure.

Independent Chair of the North West Iron Ore Alliance, Ms Megan Anwyl, said the Alliance would take part in the public consultation process on behalf of its four member companies – Atlas Iron, BC Iron, Brockman Resources and FerrAus. Individual members will also participate.

"We are very pleased that the Government has recognised the fundamental necessity of third party rail haulage to the viability of the junior iron ore industry in the Pilbara, and has moved to provide a clear and equitable framework for rail access negotiations," she said. "We are also pleased that the Government has stated its intention to enforce the existing State Agreements signed by BHP and Rio Tinto."

"The members of the North West Iron Ore Alliance are seeking to negotiate fair and reasonable third party access to the Pilbara's rail infrastructure, and look forward to taking part in the public consultation process," Ms Anwyl continued. "I believe this proposed rail haulage regime will bring significant benefits to the members of the Alliance through the development of a more diverse and sustainable iron ore industry in the Pilbara."

The North West Iron Ore Alliance was formed in 2007 to support the development of a junior iron ore sector in the Pilbara. The member companies – Atlas Iron, BC Iron, Brockman Resources and FerrAus – have agreed to cooperate on issues such as infrastructure development and access, statutory approvals and community development.

Collectively the members of the North West Iron Ore Alliance have the potential to deliver over 50 million tonnes of iron ore per annum by 2014, generating approximately \$165 million in State royalties per annum.

—ENDS—



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Background on members of the North West Iron Ore Alliance:

Atlas Iron Limited - www.atlasiron.com.au

Atlas Iron (ASX: AGO) has one of the largest land holdings in the Pilbara region covering over 6,000km². The Company is preparing to commence production of direct shipping grade iron ore (DSO) resources from Pardoo Project, 75km from the public access port at Port Hedland, in the second half of 2008. Targeting production of 1 million tonnes per annum in its first year of operation, Atlas is forecasting its production at Pardoo will grow to 3 million tonnes per annum by 2010 with further substantial growth expected on the basis of its aggressive ongoing exploration effort. Atlas has recently upgraded its exploration target to 120-180 million tonnes.

BC Iron Limited - www.bcion.com.au

BC Iron (ASX: BCI) is focused on the exploration and development of channel iron deposits within its Nullagine Project in the Pilbara. A major exploration program commenced in April 2007 over the Bonnie Creek and Nullagine River CIDs, and, in March 2008, BC Iron announced a Channel Iron Deposit resource of 47.2Mt at 53.6% Fe (61.5% CaFe) at Nullagine, including a high-grade DSO resource of 28.0Mt grading 57.4% Fe (65.1% CaFe). The Company is conducting a Scoping Study on an initial 3Mtpa DSO operation at the Bonnie Creek CID Project.

Brockman Resources - www.brockmanresources.com.au

Brockman Resources Limited (formerly Yilgarn Mining Limited) is focused on the exploration and development of its 100%-owned Marillana Project, located 100km north of Newman in the Pilbara, where the total Mineral Resource now exceeds 1.1 billion tonnes of iron ore, and the Company is aggressively targeting iron ore production by 2009. Brockman has recently completed a Scoping Study on a proposed 10Mtpa iron ore project and is conducting a Feasibility Study based on its expanded resource base which is due for completion in early 2009.

FerrAus Limited - www.ferraus.com

FerrAus is an emerging developer of iron ore and other ferrous raw materials. Its wholly owned, strategic foothold in the under-explored, highly prospective new iron ore sub-province in the East Pilbara region encompasses over 560km² with a potential strike length of 30-40km. The priority project is Roberston Range where continuous drilling and evaluation campaigns since late 2005 have yielded a significant resource with the expectation of continued expansion as a result of further planned drilling programmes.



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