



BC IRON LIMITED

The Companies Officer
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11 February 2009

Dear Sir

With regard to the Company Announcement dated 10 February 2009, in which BC Iron announced a 25% Off-take agreement with Tennant Metals Pty Ltd. The Company wishes to provide the following additional information.

The Mineral Resource Estimate (Tables 1 and 2) was based on data collated and interpreted by BC Iron staff and prepared and estimated by Golder Associates. The resource was estimated in accordance with the guidelines of the Australasian Code for the Reporting of Exploration Results, Mineral Resources and Ore Reserves (JORC Code 2004).

Table 1 – Mineral Resource Estimate for DSO, Bonnie Creek CID

Resource Class	Mt	Fe	CaFe	SiO ₂	Al ₂ O ₃	S	P	LOI ₁₀₀₀
Measured	1.7	57.0	64.8	3.5	2.1	0.0	0.0	12.0
Indicated	41.2	57.0	64.7	3.1	2.1	0.0	0.0	12.0
Inferred	3.3	56.8	64.5	3.4	2.1	0.0	0.0	11.9
TOTAL	46.2	57.0	64.7	3.18	2.11	0.011	0.016	12.0

Table 2 – Mineral Resource Estimate for Mineralised CID, Bonnie Creek CID

Resource Class	Mt	Fe	CaFe	SiO ₂	Al ₂ O ₃	S	P	LOI ₁₀₀₀
Measured	2.0	55.9	63.6	4.1	2.8	0.0	0.0	12.1
Indicated	72.8	54.0	61.8	4.5	3.1	0.0	0.0	12.7
Inferred	5.3	53.8	61.6	4.6	3.2	0.0	0.0	12.6
TOTAL	80.2	54.0	61.9	4.46	3.08	0.012	0.018	12.7

A full description and JORC Statement relating to the Mineral Resource Estimate is provided in the release to the Australian Securities Exchange dated January 9, 2009.

JORC Statement

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 the Australasian Institute of Mining and Metallurgy and an employee of Golder Associates. 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 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.

A full description and JORC Statement relating to the Mineral Resource Estimate is provided in the release to the Australian Securities Exchange dated January 9, 2009.

Yours Sincerely
BC Iron Limited

Mike Young
Managing Director