



BC IRON LIMITED

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BC Iron signs Nyiyaparli Infrastructure Agreement

Australian iron ore company **BC Iron Limited (ASX: BCI)**; (“**BC Iron**”), as manager of the **Nullagine Iron Ore Joint Venture** (BC Iron 50% : Fortescue Metals Group 50%) is pleased to announce that it has signed the Nyiyaparli Infrastructure Agreement with the Nyiyaparli People whose claim covers the southern part of the Project area. The agreement paves the way for the granting of several Miscellaneous Leases that cover the proposed Southern Haul Road (refer Figure 1 below), completing the link between the Project mining areas and FMG’s rail infrastructure at the Christmas Creek Ore Processing Facility.

The Nyiyaparli People, together with the Palyku People and the Njamal People, are one of three Indigenous Groups who have Traditional Ownership claims underlying BC Iron’s tenements. BC Iron signed a Mining Agreement with the Palyku People in April 2010, which allowed for grant of the Mining Lease at Outcamp and Miscellaneous Leases for the northern section of the haul road. The Njamal Peoples’ claim does not affect the Joint Venture.

As well as Native Title Agreements, which provide for the grant of mining tenure, mining companies in Western Australia must also carry out heritage surveys to identify heritage sites with a view to avoiding disturbance wherever possible. These surveys are done in consultation with the Native Title Traditional Owners. Sites where disturbance cannot be avoided are recorded and salvaged under the WA Department of Indigenous Affairs Ministerial Approval process known as a “Section 18” before they can be disturbed. To date, Section 18 approval has been received for the Northern Haul Road and the Mining Camp. Application for Section 18 approval for the Mining Lease and Central Haul Road was submitted during May and approval is expected in July. Heritage surveys over the Southern Haul Road are planned to commence in the coming weeks and if necessary, the Section 18 application for approval for this part of the haul road will be submitted in the September Quarter.

BC Iron has developed a very good working relationship with the Palyku Traditional Owners whose claim covers the northern part of the Project, and with much thanks to the Palyku, all heritage surveys have progressed to schedule. The Company looks forward to working closely with the Nyiyaparli People in the upcoming surveys to ensure that the schedule for development remains on track.

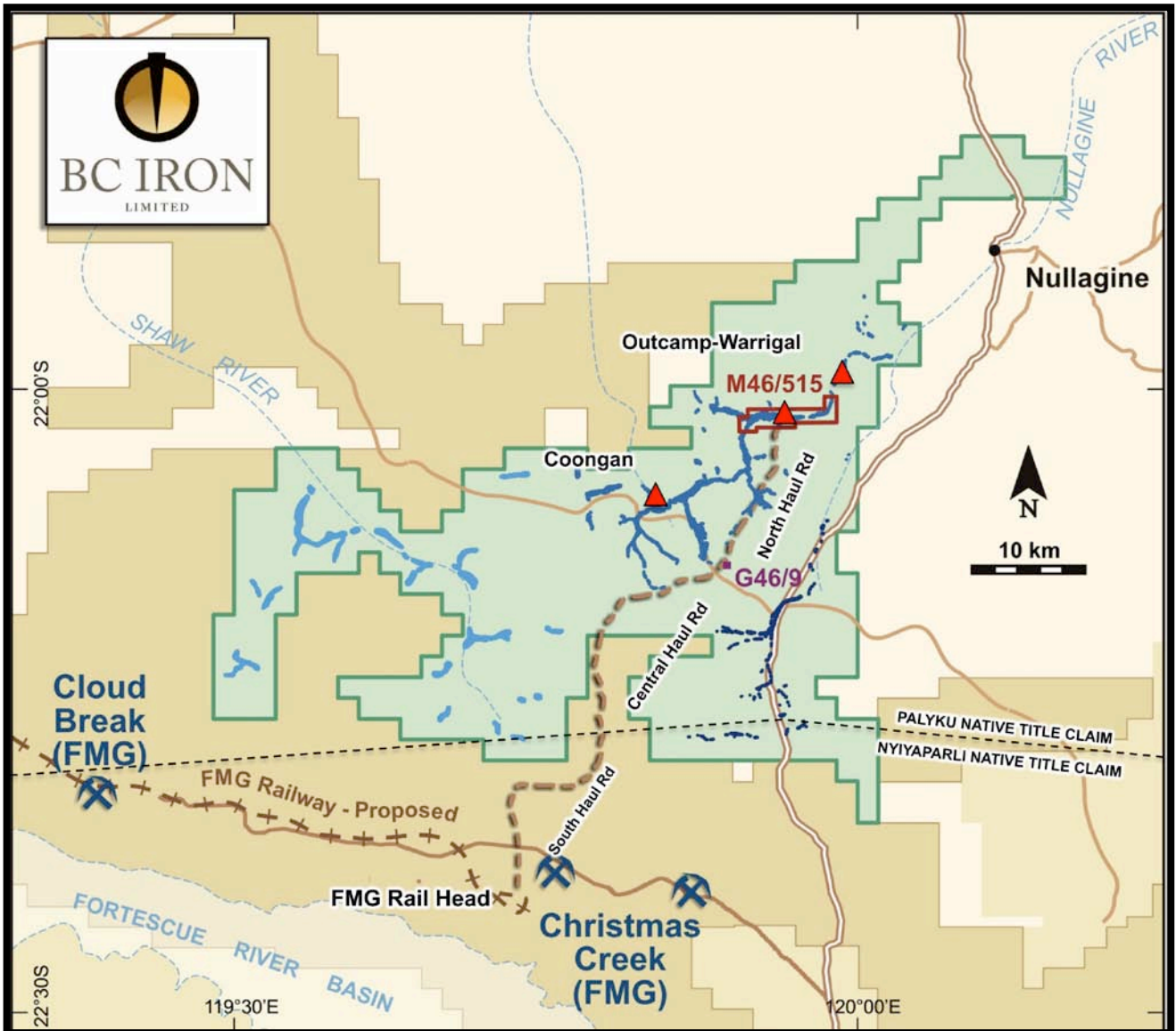
Approvals from the Department of Mines and Petroleum for the Mining Proposal and Clearing Permit are on track for late July 2010 and once received, construction will immediately commence on the Northern and Central Haul Road as well as the Mining Centre.

- ENDS -

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Figure 1: Location plan of the Nullagine Iron Ore Joint Venture showing haul road divisions and the Palyku / Nyiyaparli Native Title Claim boundaries.



About BC Iron Limited

BC Iron Limited (ASX: BCI) is an emerging iron ore producer focused on Western Australia's world-class Pilbara region. The Company's core asset is a 50% joint venture in the Nullagine Iron Ore Project, an extensive tenement portfolio which is strategically located 140km north of Newman proximal to Fortescue Metals' Chichester operation. The Company has entered into the Nullagine Iron Ore Joint Venture with FMG (50%) which has provided all important access to rail and port infrastructure and allowed BC Iron to rapidly develop the Project.

BC Iron will manage the Project and FMG will provide port and rail haulage services as well as providing marketing and shipping services.

BC Iron Key Statistics

Shares on Issue: 83.9 million

Cash & equivalents: 31 March 2010 - \$34.0m

Board and Management:

- Tony Kiernan – Chairman
- Mike Young – Managing Director
- Terry Ransted – Non-Executive Director
- Steven Chadwick – Non-Executive Director
- Glenn Baldwin – Non-Executive Director
- Morgan Ball – Chief Financial Officer & Company Secretary
- Blair Duncan – Chief Operating Officer

Major Shareholders:	Consolidated Minerals	22%
	Regent Pacific Group	16%