



# **BC IRON**

## LIMITED

**BC Iron Limited**

**ABN 21 120 646 924**

## Notice of Annual General Meeting and Explanatory Statement

---

**Annual General Meeting to be held at  
The Celtic Club, 48 Ord Street West Perth  
on Friday, 19 November 2010 commencing at 4pm WST**

This Notice of Annual General Meeting and Explanatory Statement should be read in its entirety.  
If shareholders are in doubt as to how they should vote, they should seek advice from their accountant,  
solicitor or other professional adviser without delay.

# NOTICE OF ANNUAL GENERAL MEETING

Notice is given that the Annual General Meeting of BC Iron Limited (ABN 21 120 646 924) will be held at The Celtic Club, 48 Ord Street West Perth on Friday, 19 November 2010 commencing at 4pm WST.

## BUSINESS OF THE MEETING

### FINANCIAL REPORT 2010

To receive and consider the annual financial report of the Company, the Directors' Report and the Independent Audit Report for the year ended 30 June 2010. The annual accounts are available on the Company's website [www.bcion.com.au](http://www.bcion.com.au)

## ORDINARY BUSINESS – RESOLUTIONS

### RESOLUTION 1 – ADOPTION OF REMUNERATION REPORT

To consider and, if thought fit, to pass the following resolution as a non-binding resolution:

*“That, for the purpose of section 250R(2) of the Corporations Act and for all other purposes, the Company adopts the Remuneration Report as set out in the Annual Report for the year ended 30 June 2010.”*

#### Short Explanation:

The Corporations Act provides that a resolution for the Remuneration Report to be adopted must be put to a vote at a listed company's annual general meeting. The vote on the Remuneration Report is advisory only and does not bind the Directors of the Company.

### RESOLUTION 2 – RE-ELECTION OF MR TERRENCE RANSTED AS A DIRECTOR

To consider and, if thought fit, to pass with or without modification, the following resolution as an ordinary resolution:

*“To elect as a Director of the Company, Mr Terrence Ransted, who retires by rotation in accordance with the Company's Constitution and, being eligible, offers himself for re-election.”*

### RESOLUTION 3 – ELECTION OF MR GLENN BALDWIN AS A DIRECTOR

To consider and, if thought fit, to pass with or without modification, the following resolution as an ordinary resolution:

*“To elect as a Director of the Company, Mr Glenn Baldwin, who was appointed as a Director of the Company since the last general meeting and retires in accordance with the Constitution and, being eligible, offers himself for re-election.”*

### RESOLUTION 4 – APPROVAL OF EMPLOYEE PERFORMANCE RIGHTS PLAN

To consider and, if thought fit, pass the following resolution as an ordinary resolution:

*“That, for the purposes of Exception 9 to Listing Rule 7.2 and for all other purposes, Shareholders approve the BC Iron Limited Employee Performance Rights Plan and the grant of Performance Rights and the issue of Shares upon vesting of the Performance Rights under such Employee Performance Rights Plan and the terms under the Plan, a summary of which is set out in the Explanatory Statement.”*

#### Voting exclusion statement:

For the purposes of Listing Rule 14.11, and for all other purposes, the Company will disregard any votes cast on this Resolution 4 by any Director or an associate of any of those persons.

However, the Company will not disregard a vote if:

- (a) it is cast by a person as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form; or
- (b) it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the proxy form to vote as the proxy decides.

# NOTICE OF ANNUAL GENERAL MEETING

## SPECIAL BUSINESS

### RESOLUTION 5 – CONSTITUTION: PROPORTIONAL TAKEOVER PROVISIONS

To consider and, if thought fit, pass the following resolution as a special resolution:

*“That the Constitution of BC Iron Limited be amended by deleting the whole of the existing clause 21 and replacing it with a new clause 21 in the terms as specified in Schedule 1 to the 2010 Notice of Annual General Meeting.”*

#### General Business

To transact any other business that may be lawfully brought before this meeting.

#### Explanatory Statement

The Explanatory Statement accompanying this Notice of Annual General Meeting is incorporated in and comprises part of this Notice of Annual General Meeting.

Shareholders are specifically referred to the Glossary in the Explanatory Statement which contains definitions of capitalised terms used in both this Notice of Annual General Meeting and the Explanatory Statement.

#### Proxies

Please note that:

- (a) a member of the Company entitled to attend and vote at the Annual General Meeting is entitled to appoint a proxy;
- (b) a proxy need not be a member of the Company; and
- (c) a member of the Company entitled to cast two or more votes may appoint two proxies and may specify the proportion or number of votes each proxy is appointed to exercise, but where the proportion or number is not specified, each proxy may exercise half of the votes.

The enclosed proxy form provides further details on appointing proxies and lodging proxy forms.

In accordance with section 250BA of the Corporations Act, the Company specifies the following information for the purposes of receipt of proxy appointments by Shareholders registered on the Company’s share register:

Registered Office: Level 1, 15 Rheola Street  
WEST PERTH WA 6005

Facsimile Number: +61 8 6311 3449

Postal Address : GPO Box 2811  
PERTH WA 6001

The proxies must be received at the relevant address set forth above no later than 48 hours prior to the time of commencement of the meeting (WST).

#### “Snap-shot” Time

The Company may specify a time, not more than 48 hours before the meeting, at which a “snap-shot” of shareholders will be taken for the purposes of determining shareholder entitlements to vote at the meeting.

The Company’s directors have determined that all shares of the Company that are quoted on ASX at 4pm WST on 17 November 2010 shall, for the purposes of determining voting entitlements at the Annual General Meeting, be taken to be held by the persons registered as holding the shares at that time.

# NOTICE OF ANNUAL GENERAL MEETING

---

## **Corporate Representative**

Any corporate Shareholder who has appointed a person to act as its corporate representative at the meeting should provide that person with a certificate or letter executed in accordance with the Corporations Act authorising him or her to act as that company's representative. The authority may be sent to the Company and/or registry in advance of the meeting or handed in at the meeting when registering as a corporate representative. An appointment of Corporate Representative form is enclosed if required.

## **By Order of the Board of Directors**

A handwritten signature in black ink that reads "Morgan Ball". The signature is written in a cursive style.

**Morgan Ball**  
Company Secretary

12 October 2010

# APPOINTMENT OF CORPORATE REPRESENTATIVE

## SECTION 250D OF THE CORPORATIONS ACT 2001

---

### Explanatory Statement

This Explanatory Statement has been prepared for the information of Shareholders in relation to the business to be conducted at the Annual General Meeting of the Company convened for Friday, 19 November 2010 commencing at 4pm WST.

The purpose of this Explanatory Statement is to provide Shareholders with all information known to the Company which is material to a decision on how to vote on the resolutions in the accompanying Notice of Annual General Meeting.

This Explanatory Statement should be read in conjunction with the Notice of Annual General Meeting. Capitalised terms in this Explanatory Statement are defined in the Glossary.

### BUSINESS OF THE MEETING

#### Financial Report 2010

Section 317 of the Corporations Act requires the Directors to lay before the Annual General Meeting the Financial report, Directors' report (including the remuneration report) and the Auditor's report for the last financial year that ended before the Annual General Meeting.

In accordance with section 250S of the Corporations Act, Shareholders will be provided with a reasonable opportunity to ask questions or make statements in relation to these reports but no formal resolution to adopt the reports will be put to Shareholders at the Annual General Meeting (save for Resolution 1 for the adoption of the remuneration report).

### ORDINARY BUSINESS – RESOLUTIONS

#### RESOLUTION 1 – ADOPTION OF REMUNERATION REPORT

Section 250R of the Corporations Act requires that a resolution must be put to the vote at the Company's annual general meeting that the remuneration report be adopted. The vote on this Resolution is advisory only and does not bind the Directors or the Company.

In accordance with section 250SA of the Corporations Act, Shareholders will be provided with a reasonable opportunity to ask questions, or make comments on, the remuneration report at the Annual General Meeting.

#### RESOLUTION 2 – RE-ELECTION OF MR TERRENCE RANSTED AS A DIRECTOR

In accordance with clause 11.2 of the Company's Constitution, at each Annual General Meeting of the Company one-third of the Directors for the time being, or if their number is not 3 or a multiple of 3, then the number nearest to but not exceeding one-third need to retire from office by rotation, but no Director may retain office for more than 3 years without submitting himself or herself for re-election even though the submission results in more than one-third of the Directors retiring from office.

Accordingly, Mr Ransted is required to retire by rotation at the forthcoming Annual General Meeting, and being eligible, offers himself for re-election as a Director.

Further information on Mr Ransted is included in the 2010 Annual Report.

#### RESOLUTION 3 – ELECTION OF MR GLENN BALDWIN AS A DIRECTOR

Glenn Baldwin has been appointed as a Director since the last general meeting. Accordingly, he retires at the commencement of this meeting and offers himself for election.

Further information on Mr Baldwin is included in the 2010 Annual Report.

#### RESOLUTION 4 – APPROVAL OF EMPLOYEE PERFORMANCE RIGHTS PLAN

The Company seeks approval of the Employee Performance Rights Plan ("EPRP") for the purposes of Exception 9(b) of Listing Rule 7.2.

#### Reasons for the EPRP

To date, the Company has granted long term incentives in the form of options under the Employee Share Option Plan (ESOP), which was approved by shareholders at the Company's 2008 Annual General Meeting.

# APPOINTMENT OF CORPORATE REPRESENTATIVE

## SECTION 250D OF THE CORPORATIONS ACT 2001

---

The ESOP will remain in place, however, in addition to the ESOP, the Board believes that the Company will benefit from the flexibility of establishing an alternative equity based plan allowing the Board to grant performance-based rights linked to identified achievements, depending on the prevailing circumstances. Accordingly, the Board also wishes to establish the EPRP to enable the Board to grant long term incentives in the form of rights which will vest only on the satisfaction of appropriate performance conditions as determined by the Board.

The Board believes that grants made to eligible participants under the EPRP will provide a powerful tool to underpin the Company's employment strategy, and that the implementation of the EPRP will:

- (a) enable the Company to recruit and retain the talented people needed to achieve the Company's business objectives;
- (b) link the reward of key staff with the achievements of strategic goals and the long term performance of the Company;
- (c) align the financial interest of participants of the EPRP with those of Shareholders; and
- (d) provide incentives to participants of the EPRP to focus on superior performance that creates Shareholder value.

Listing Rule 7.1 provides that a company must not, without prior approval of Shareholders, issue securities if the securities will in themselves or when aggregated with the securities issued by a company during the previous 12 months, exceed 15% of the number of securities on issue at the commencement of that 12 month period, unless such an issue of securities falls within one of the exceptions set out in Listing Rule 7.2.

Exception 9(b) of Listing Rule 7.2 provides that equity securities may be issued under an employee incentive scheme that has been approved by shareholders for that purpose within the last three years.

As the EPRP is a new employee incentive scheme, no prior approval under Exception 9 of ASX Listing Rule 7.2 has been given and no securities have been issued under the EPRP.

### Outline of the EPRP

#### *Participation*

As part of the Company's strategy, the Board wishes to be in a position to grant Performance Rights under the EPRP to employees (including Directors) to achieve the objectives outlined above.

A Performance Right is a right to be issued a Share upon satisfaction of certain performance conditions that are attached to the Performance Right, as determined by the Board. In accordance with the requirements of the Listing Rules, prior Shareholder approval will be required before any Director or related party of the Company can participate in the EPRP.

#### *Overview of the EPRP Rules and terms and conditions*

Performance Rights granted under the EPRP to eligible participants will be subject to performance conditions as determined by the Board from time to time. These performance conditions must be satisfied in order for the Performance Rights to vest. Upon Performance Rights vesting, the Performance Rights will automatically be exercised and the Shares will be issued as soon as reasonably practicable.

The main features of the EPRP (and the terms and conditions to be attached to the EPRP) are summarised as follows:

- (a) **Eligible Participants:** The eligible participants under the EPRP are full time employees and permanent part-time employees (including Directors and Non-Executive Directors) of the Company and its subsidiaries. As noted above, Shareholder approval is required before any Director or related party of the Company can participate in the EPRP.
- (b) **Limits on Entitlements:** The maximum number of Shares that is issuable under the EPRP, when combined with the number of Shares issued during the previous five years pursuant to the EPRP or any other employee incentive scheme of the Company (including the ESOP) but disregarding any offer made, or Performance Rights acquired or Shares issued by way of or as a result of:
  - (i) an offer to a person situated at the time of receipt of the offer outside Australia; or
  - (ii) an offer that did not need disclosure to investors because of section 708 of the Corporations Act; or
  - (iii) an offer made under a disclosure document,must not exceed 5% of the total number of issued Shares.
- (c) **Individual Limits:** The EPRP does not set out a maximum number of Shares that may be made issuable to any one person or company.
- (d) **Consideration Payable:** Performance Rights will be granted for no consideration.

# APPOINTMENT OF CORPORATE REPRESENTATIVE

## SECTION 250D OF THE CORPORATIONS ACT 2001

(e) **Vesting:** The Performance Rights granted under the EPRP and the performance conditions that must be satisfied in order for the Performance Rights to vest, will be determined by the Board and expressed in a written invitation (Invitation) made by the Company to the eligible participant which is subject to acceptance by the eligible participant within a specified period. The performance conditions may include one or more of:

- (i) employment of a minimum period of time;
- (ii) achievement of specific performance objectives by the participant and/or by the Company; or
- (iii) such other performance objectives as the Board may determine and set out in the Invitation.

The Board will determine whether performance conditions have been met and Performance Rights therefore have vested. Upon Performance Rights becoming vested, the Company shall issue Shares to the eligible participant without further action being required on the part of the participant.

(f) **Term and Lapse:** Performance Rights have a term as the Board may determine in its absolute discretion and specify in the Invitation and are subject to lapsing if performance conditions are not met by the relevant measurement date or expiry date (if no other measurement date is specified) or if employment is terminated for cause or in circumstances other than as described in the next paragraph.

(g) **Restriction on dealing with Shares:** Shares issued to a participant under the EPRP may be subject to disposal restrictions during the period determined by the Board. Any such restriction will be outlined in the Invitation.

(h) **Disability, Redundancy or Death:** Under the EPRP, upon the total and permanent disability, redundancy or death of a participant, as defined in the EPRP, performance conditions will be deemed to have been satisfied or waived and an eligible participant will be entitled to receive Shares in respect of any unvested Performance Rights within:

- (i) 6 months from the date of disability, redundancy or death; or
- (ii) such longer period as the Board may determine not being longer than the original expiry time of the Performance Rights.

Performance Rights which have not vested within the 6 months or such longer period determined by the Board following the total and permanent disability, redundancy or death of a participant, will automatically lapse.

(i) **Forfeiture:** If a participant acts fraudulently or dishonestly, is in breach of his or her obligations to the Company or ceases to be employed by the Company for any reason other than disability, redundancy or death, the Board will have the discretion to deem any Performance Rights to have lapsed.

(j) **Assignment:** Without approval of the Board, Performance Rights may not be transferred, assigned or novated, except, upon death, a participant's legal personal representative may elect to be registered as the new holder of such Performance Rights and exercise any rights in respect of them.

(k) **Takeover Bid or Change of Control:** All Performance Rights automatically vest in the event of

- (i) upon a takeover bid (as defined in the Corporations Act) becoming or being declared to be unconditional;
- (ii) a change of control of the Company; or
- (iii) approval by the court of a merger by way of scheme of arrangement.

(l) **Alteration in Share Capital:** If there is a reorganisation of the share capital of the Company, the number of Shares, to which an eligible participant is entitled to receive upon vesting of a Performance Right will be adjusted in the way specified by the Listing Rules from time to time.

(m) **No Participation Rights:** There are no participation rights or entitlements inherent in the Performance Rights and holders will not be entitled to participate in new issues of capital offered to Shareholders during the currency of the Performance Rights.

(n) **Amendments to EPRP:** The Board may at any time and from time to time by resolution alter the EPRP. However, any amendment to the EPRP is subject to any restrictions or procedural requirements relating to the amendment or the rules of an employee incentive scheme imposed by the Listing Rules or applicable securities laws.

(o) **Suspension or Termination:** The Board may suspend or terminate the EPRP at any time, without notice, but the suspension or termination will not affect any existing grants of Performance Rights already made.

## Voting on the Resolution

The Company will disregard any votes cast on Resolution 4 by any Director entitled to receive Performance Rights under the EPRP or an associate of any of those persons.

# APPOINTMENT OF CORPORATE REPRESENTATIVE

## SECTION 250D OF THE CORPORATIONS ACT 2001

---

### **SPECIAL BUSINESS**

#### **RESOLUTION 5 – CONSTITUTION: PROPORTIONAL TAKEOVER PROVISIONS**

Under the Corporations Act, a company is empowered to include in its constitution a provision to enable the company to refuse to register shares acquired under a proportional takeover bid unless a resolution is passed by shareholders in general meeting approving the offer.

The Company's Constitution currently contains provisions dealing with proportional takeover bids. Clause 21 ceased to have effect on 10 July 2009, and the Directors consider that it is appropriate to reinsert clause 21 for a further term of three years. If reinserted, the proposed new clause 21 will operate on substantively the same basis as the existing clause 21.

#### **Proportional takeover bids**

A proportional takeover bid (as defined by section 9 of the Corporations Act) is an off market takeover offer sent to all Shareholders but only in respect of a specified portion of each Shareholder's Shares in the Company (i.e. less than 100%). Accordingly, if a Shareholder accepts in full the offer under a proportional takeover bid, the Shareholder will dispose of the specified portion of the Shareholder's Shares and retain the balance of the Shares.

#### **Effect of proposed proportional takeover provision**

The effect of the proposed new clause 21 is that if a proportional takeover bid is made to Shareholders, the Directors are obliged to convene a meeting of Shareholders to be held at least 15 days before the offer closes. The purpose of the meeting is to vote on a resolution to approve the proportional takeover bid. For the resolution to be approved, it must be passed by a simple majority of votes at the meeting, excluding votes of the bidder and its associates.

If no such resolution is voted on within the required time frame, the resolution is deemed to have been approved. This, in effect, means that Shareholders as a body may only prohibit a proportional takeover bid by rejecting such a resolution.

If the resolution is approved or deemed to have been approved, transfers of Shares under the proportional takeover bid (provided they are in all other respects in order for registration) must be registered.

If the resolution is rejected, registration of any transfer of Shares resulting from that proportional takeover bid is prohibited and the offer is deemed by the Corporations Act to have been withdrawn.

The proposed new clause 21 will expire three years after its adoption unless renewed by a further special resolution of Shareholders. The proportional takeover provision does not apply to a full takeover bid.

#### **Reasons for proposing the resolution**

The Directors consider that Shareholders should have the opportunity to vote on a proposed proportional takeover bid. A proportional takeover bid may result in effective control of the Company changing hands without Shareholders having the opportunity of disposing of all their Shares. Shareholders could be at risk of passing control to the offeror without payment of an adequate control premium for all their Shares whilst leaving themselves as part of a minority interest in the Company.

If Resolution 5 is passed, the proposed new clause 21 can prevent this occurring by giving Shareholders the opportunity to decide whether a proportional takeover bid is acceptable and should be permitted to proceed.

#### **Presently proposed acquisitions**

As at the date of this Explanatory Statement, no Director of the Company is aware of any proposal by any person to acquire or increase the extent of a substantial interest in the Company.

#### **Potential advantages and disadvantages for the Directors and shareholders**

The Directors consider that it is a potential advantage to all Shareholders that they have the opportunity to consider and vote upon any proposed proportional takeover bid. For a proportional takeover bid to be approved, it must be approved by more than half of the Shares voted at the meeting excluding the Shares of the bidder and its associates, and accordingly the existence of the proposed new clause 21 is likely to cause an intending bidder to formulate its offer in a way that would be attractive to a majority of Shareholders. It may also have the effect of not allowing control of the Company to pass without payment of a control premium.

The Directors consider that it would be an advantage to them to have the opportunity to ascertain the views of Shareholders on any proportional takeover bid.



# APPOINTMENT OF CORPORATE REPRESENTATIVE

## SECTION 250D OF THE CORPORATIONS ACT 2001

As to the possible disadvantages of the proposed new clause 21, it may be perceived by some Shareholders that its presence makes a proportional takeover bid less likely to succeed and that therefore the chances of receiving an opportunity to dispose of any part of their Shares would be reduced because potential bidders may be discouraged from making a proportional takeover bid. This may be thought to potentially remove or reduce any speculative element of the market price of the Shares arising from the possibility of a proportional takeover bid. Some Shareholders may consider the presence of the proposed new clause 21 to be an additional restriction on the ability of individual Shareholders to deal freely with their Shares.

During the period in which the existing clause 21 had effect (ie up to 10 July 2009), the advantages and disadvantages set out above applied.

### Directors' recommendation

The Directors recommend that Shareholders approve the adoption of the proposed new clause 21 of the Constitution and vote in favour of Resolution 5.

## GLOSSARY

In this Explanatory Statement, the following terms have the following unless the context otherwise requires:

<b>ASX</b>	ASX Limited ACN 008 624 691.
<b>Board</b>	board of Directors.
<b>Company</b>	BC Iron Limited ACN 120 646 924.
<b>Constitution</b>	constitution of the Company.
<b>Corporations Act</b>	<i>Corporations Act 2001 (Cth)</i> .
<b>Director</b>	director of the Company.
<b>EPRP</b>	BC Iron Limited's Employee Performance Rights Plan.
<b>Listing Rules</b>	official Listing Rules of ASX.
<b>Performance Right</b>	a right granted under the EPRP to acquire a Share on the terms set out in the EPRP subject to the satisfaction of certain performance conditions.
<b>Share(s)</b>	fully paid ordinary share(s) in the capital of the Company.
<b>Shareholder</b>	shareholder of the Company.
<b>WST</b>	Western Standard Time.

# APPOINTMENT OF CORPORATE REPRESENTATIVE

## SECTION 250D OF THE CORPORATIONS ACT 2001

---

### Schedule 1 – Constitution Amendment

#### 21 Proportional takeover approval

##### 21.1 Interpretation

In this clause 21:

**Associate** in relation to another person has the meaning given to that term in the Corporations Act;

**Offeror** means a person making an offer for Shares under a Proportional Takeover Bid;

**Proportional Takeover Bid** means a proportional takeover bid as defined in section 9 of the Corporations Act; and

**Relevant Day**, in relation to a Proportional Takeover Bid, means the day that is 14 days before the last day of the bid period.

##### 21.2 Transfers prohibited without approval

Where a Proportional Takeover Bid in respect of Shares included in a class of Shares in the Company has been made:

- (a) The registration of a transfer giving effect to a contract resulting from the acceptance of an offer made under the Proportional Takeover Bid is prohibited unless and until a resolution (Approving Resolution) to approve the Proportional Takeover Bid is passed, or is deemed to have been passed, in accordance with Subdivision C of Chapter 6.5 of the Corporations Act;
- (b) a Member (other than the Offeror or a person associated with the Offeror) who, as at the end of the day on which the first offer under the Proportional Takeover Bid was made, held Shares included in that class is entitled to vote on an Approving Resolution and, for the purposes of so voting, is entitled to 1 vote for each such Share;
- (c) neither the Offeror or an Associate of the Offeror may vote on an Approving Resolution;
- (d) an Approving Resolution must be voted on at a meeting, convened and conducted by the Company, of the Members entitled to vote on the resolution; and
- (e) an Approving Resolution is passed if more than 50% of the votes cast on the resolution by Members Present are in favour of the resolution.

##### 21.3 Meetings

- (a) The provisions of this Constitution relating to a general meeting of the Company apply, with such modifications as the circumstances require, in relation to a meeting that is convened for the purposes of this clause 21.
- (b) The Directors of the Company must ensure that the Approving Resolution is voted on in accordance with this clause before the Relevant Day.
- (c) Where an Approving Resolution is voted on in accordance with this clause, then before the Relevant Day, the Company must:
  - (i) give to the Offeror; and
  - (ii) serve on ASX,

a written notice stating that a resolution to approve the Proportional Takeover Bid has been voted on and that the resolution has been passed or has been rejected, as the case requires.

# APPOINTMENT OF CORPORATE REPRESENTATIVE

## SECTION 250D OF THE CORPORATIONS ACT 2001

---

### 21.4 Deemed approval

Where, as at the end of the day before the Relevant Day in relation to a Proportional Takeover Bid, no Approving Resolution to approve the Proportional Takeover Bid has been voted on in accordance with this clause, an Approving Resolution to approve the Proportional Takeover Bid is, for the purposes of this clause, deemed to have been passed under this clause 21.

### 21.5 Proportional Takeover Bid rejected

Where an Approving Resolution is voted on and is rejected then:

- (a) Despite section 652A of the Corporations Act, all offers under the Proportional Takeover Bid that have not, as at the end of the Relevant Day, resulted in binding contracts are deemed to be withdrawn at the end of the Relevant Day;
- (b) the Offeror must immediately, after the end of the Relevant Day, return to each Member any documents that were sent by the Member to the Offeror with the acceptance of the offer;
- (c) the Offeror may rescind and must, as soon as practicable after the end of the Relevant Day, rescind each contract resulting from the acceptance of an offer made under the Proportional Takeover Bid; and
- (d) a Member who has accepted an offer made under the Proportional Takeover Bid is entitled to rescind the contract (if any) resulting from that acceptance.

### 21.6 Duration of clause

This clause 21 ceases to have effect on the later to occur of:

- (a) The third anniversary of its adoption; or
- (b) the third anniversary of its most recent renewal effected under the Corporations Act.

# APPOINTMENT OF CORPORATE REPRESENTATIVE

SECTION 250D OF THE CORPORATIONS ACT 2001



## Shareholder Details

This is to certify that by a resolution of the Directors of:

..... (Company),  
Insert name of shareholder company  
the Company has appointed:

.....  
Insert name of corporate representative

in accordance with the provisions of section 250D of the Corporations Act 2001, to act as the body corporate representative of that company at the meeting of the members of BC Iron Limited to be held on Friday, 19 November 2010 commencing at 4pm WST and at any adjournments of that meeting/all meetings of the members of BC Iron Limited.

DATED ..... 2010 .....

Please sign here

Executed by the Company in accordance with its constituent documents	) ) )	
..... Signed by authorised representative		..... Signed by authorised representative
..... Name of authorised representative (print)		..... Name of authorised representative (print)
..... Position of authorised representative (print)		..... Position of authorised representative (print)

## Instructions for Completion

1. Insert name of appointor Company and the name or position of the appointee (eg "John Smith" or "each director of the Company").
2. Execute the Certificate following the procedure required by your Constitution or other constituent documents.
3. Print the name and position (eg director) of each company officer who signs this Certificate on behalf of the company.
4. Insert the date of execution where indicated.
5. Send or deliver the Certificate to BC Iron Limited's registered office at Level 1, 15 Rheola Street, West Perth Western Australia 6005 or fax to the registered office on (08) 6311 3449.



Contact Telephone No: .....

Contact Name (if different from above): .....

### Appointment of Proxy

I/We being a shareholder/s of BC Iron Limited and entitled to attend and vote hereby appoint

The Chairman  
of the meeting

**OR**

Write here the name of the person you are appointing if this person is someone other than the Chairman of the Meeting.

(mark with an 'X')

or failing the person named, or if no person is named, the Chairman of the Meeting, as my/our proxy to attend and act generally at the meeting on my/our behalf and to vote in accordance with the following directions (or if no directions have been given, as the proxy sees fit) at the Annual General Meeting of BC Iron Limited to be held at The Celtic Club, 48 Ord Street West Perth on Friday, 19 November 2010 at 4pm WST and at any adjournment of that meeting.

#### IMPORTANT

If the Chairman of the Meeting is your nominated proxy, or may be appointed by default, and you have not directed your proxy how to vote, please place a mark in this box with an 'X'. By marking this box you acknowledge that the Chairman of the Meeting may exercise your proxy even if he has an interest in the outcome of Resolution 4 and that votes cast by him, other than as a proxy holder, would be disregarded because of that interest. If you do not mark this box, and you have not directed your proxy how to vote, the Chairman of the Meeting will not cast your votes on Resolution 4 and your votes will not be counted in computing the required majority if a poll is called. The Chairman of the Meeting intends to vote undirected proxies in favour of each resolution.




### Voting directions to your proxy – please mark to indicate your directions

#### Special Business

		For	Against	Abstain*
Resolution 1.	ADOPTION OF REMUNERATION REPORT	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 2.	RE-ELECTION OF MR TERRENCE RANSTED AS A DIRECTOR	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 3.	ELECTION OF MR GLENN BALDWIN AS A DIRECTOR	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 4.	APPROVAL OF EMPLOYEE PERFORMANCE RIGHTS PLAN	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 5.	CONSTITUTION: PROPORTIONAL TAKEOVER PROVISIONS	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

\*If you mark the Abstain box for a particular Resolution, you are directing your proxy not to vote on your behalf on a show of hands or on a poll and your votes will not be counted in computing the required majority on a poll.

Appointment of a second proxy (see instructions overleaf)

If you wish to appoint a second proxy, state the % of your voting rights applicable to the proxy appointed by this form

**PLEASE SIGN HERE** This section must be signed in accordance with the instructions overleaf to enable your directions to be implemented

Individual or Shareholder 1

Sole Director and  
Sole Company Secretary

Shareholder 2

Director

Shareholder 3

Director/Company Secretary



**BC IRON**  
LIMITED

ABN 21 120 646 924

---

## How to complete this Proxy Form

### Your Name and Address

Please print your name and address as it appears on your holding statement and the company's share register. If shares are jointly held, please ensure the name and address of each joint shareholder is indicated. Shareholders should advise the company of any changes. Shareholders sponsored by a broker should advise their broker of any changes. Please note, you cannot change ownership of your securities using this form.

### Appointment of a Proxy

If you wish to appoint the Chairman of the Meeting as your proxy, mark the box. If the person you wish to appoint as your proxy is someone other than the Chairman of the Meeting please write the name of that person. If you leave this section blank, or your named proxy does not attend the meeting, the Chairman of the Meeting will be your proxy. A proxy need not be a shareholder of the company.

### Votes on Resolutions

You may direct your proxy how to vote by placing a mark in one of the boxes opposite each Resolution. All your shareholding will be voted in accordance with such a direction unless you indicate only a portion of voting rights are to be voted on any Resolution by inserting the percentage or number of shares you wish to vote in the appropriate box or boxes. If you do not mark any of the boxes on a given Resolution, your proxy may vote as he or she chooses. If you mark more than one box on a Resolution your vote on that Resolution will be invalid.

### Appointment of a Second Proxy

You are entitled to appoint up to two persons as proxies to attend the meeting and vote on a poll. If you wish to appoint a second proxy, an additional Proxy Form may be obtained by telephoning, the Company Secretary on (08) 6311 3400 or you may photocopy this form.

To appoint a second proxy you must on each Proxy Form state (in the appropriate box) the percentage of your voting rights which are the subject of the relevant proxy. If both Proxy Forms do not specify that percentage, each proxy may exercise half your votes. Fractions of votes will be disregarded.

### Signing Instructions

You must sign this form as follows in the spaces provided:

- Individual: where the holding is in one name, the holder must sign.
- Joint Holding: where the holding is in more than one name, all of the shareholders should sign.
- Power of Attorney: to sign under Power of Attorney, you must have already lodged this document with the company's share registry. If you have not previously lodged this document for notation, please attach a certified photocopy of the Power of Attorney to this form when you return it.
- Companies: where the company has a Sole Director who is also the Sole Company Secretary, this form must be signed by that person. If the company (pursuant to section 204A of the Corporations Act 2001) does not have a Company Secretary, a Sole Director can also sign alone. Otherwise this form must be signed by a Director jointly with either another Director or a Company Secretary. Please indicate the office held by signing in the appropriate place.

If a representative of the corporation is to attend the meeting a "Certificate of Appointment of Corporate Representative" should be produced prior to admission. A form of the certificate is either included in the Notice of Annual General Meeting or may be obtained from the company's share registry.

### Lodgement of a Proxy

This Proxy Form (and any Power of Attorney under which it is signed) must be received at the address given below not later than 48 hours before the commencement of the meeting. ie. no later than 4pm WST on 17 November 2010. Any Proxy Form received after that time will not be valid for the scheduled meeting.

This Proxy Form (and any Power of Attorney and/or second Proxy Form) may be sent or delivered to the company's registered office at Level 1, 15 Rheola Street, West Perth Western Australia or sent by facsimile to the registered office on (08) 6311 3449.