

ASX RELEASE – 24 DECEMBER 2010

Company Announcements Platform
ASX Ltd

COMPLETION OF PLACEMENT TRANCHE 2

As announced on 11 November 2010, Australian iron ore company **BC Iron Limited (ASX: BCI)** ("**BC Iron**") has received firm commitments for 8 million shares at \$2.30 per share to raise gross proceeds of \$18.4 million ("**Placement**").

Further to its announcement on 18 November in relation to Tranche 1 of the Placement, BC Iron now advises that it has also allotted and issued to clients of Argonaut Securities Pty Ltd, Tranche 2 of the Placement, being 4 million fully paid ordinary shares at \$2.30 ("**Tranche 2 Shares**") to raise gross proceeds of \$9.2 million.

Tranche 2 was completed following shareholder approval at the Company's Extraordinary General Meeting held on Friday, 17 December 2010.

An Appendix 3B in respect of the Tranche 2 Shares issued has been lodged and the Company expects that holding statements will be despatched to shareholders by the end of the month.

Notification under s.708A(5)(e) of the Corporations Act 2001

For the purposes of s.708A(5)(e) of the Corporations Act 2001 ("**Act**") BC Iron notifies:

- The Tranche 2 Shares were issued without disclosure to investors under Part 6D.2 of the Act;
- As at the date of this notice, BC Iron has complied with the provisions of Chapter 2M of the Act as they apply to BC Iron and with s.674 of the Act; and
- As at the date of this notice, there is no excluded information for the purposes of s.708A(7) & (8) of the Act in relation to BC Iron.

Yours faithfully,



Morgan Ball
Company Secretary