

**ASX RELEASE – 23 FEBRUARY 2011**

## **OPERATIONAL UPDATE – WEATHER IMPACT**

Australian iron ore development company BC Iron Limited (**ASX: BCI**) (“BC Iron” or “the Company”) wishes to advise that its Nullagine Iron Ore Joint Venture (“NIOJV”), a 50:50 joint venture between BC Iron and Fortescue Metals Group Ltd (**ASX: FMG**) (“Fortescue”), has recently experienced a number of high intensity rainfall events.

BC Iron (as Manager of the NIOJV) has commenced the departure of site personnel from the Nullagine Project due to ongoing heavy rain related to Tropical Cyclone Carlos and associated local road closures. These roads provide access to the Project site, and the ongoing closures have resulted in the depletion of key consumables and a temporary suspension of ore haulage to Fortescue’s Christmas Creek operation.

The delays are not expected to have a material effect on long-term production plans and sufficient ore has already been railed to and stockpiled at Fortescue’s Herb Elliott Port so that a joint shipment of Fortescue and NIOJV ore should occur as planned on Thursday, February 24.

**- ENDS -**

**FOR FURTHER INFORMATION:**

**MIKE YOUNG / MORGAN BALL**  
**MANAGING DIRECTOR / CHIEF FINANCIAL OFFICER**  
**BC IRON LIMITED**  
**TELEPHONE: +618 6311 3400**

**RELEASED BY:**

**DAVID TASKER / JAMES HARRIS**  
**PROFESSIONAL PUBLIC RELATIONS**  
**TELEPHONE: +618 9388 0944**