

TENNANT METALS PTY LTD

BC Iron Limited (ASX: BCI) wishes to advise that its arbitration with Tennant Metals Pty Ltd has been settled on terms which are confidential. This ends the matter and no further action will be pursued by either party.

- ENDS -

FOR FURTHER INFORMATION:

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About BC Iron Limited

BC Iron is an iron ore development and mining company with key assets in the Pilbara region of WA. The Company's core asset is the Nullagine Iron Ore Project, a 50/50 joint venture with Fortescue Metals Group Limited. The JV uses Fortescue's infrastructure at Christmas Creek, 50 km south of the Mine, to rail its ore to Port Hedland from where it is shipped to customers overseas. Mining commenced in November 2010 and first ore on ship occurred in February 2011 - just over four years from listing on the ASX. The Company plans to export 1 Mt by June 2011 at which point BC Iron will be mining at a throughput of 3Mtpa.

Website: www.bcion.com.au