

Appendix 5B

Mining exploration entity quarterly report

Introduced 1/7/96. Origin: Appendix 8. Amended 1/7/97, 1/7/98, 30/9/2001, 01/06/10.

Name of entity

BC IRON LIMITED

ABN

21 120 646 924

Quarter ended ("current quarter")

31 March 2011

Consolidated statement of cash flows

Cash flows related to operating activities		Current quarter \$A'ooo	Year to date (9 months) \$A'ooo
1.1	Receipts from product sales and related debtors	1,416	1,416
1.2	Payments for (a) exploration & evaluation	(307)	(789)
	(b) development	(7,015)	(16,502)
	(c) production	(719)	(719)
	(d) administration	(1,840)	(2,988)
1.3	Dividends received	-	-
1.4	Interest and other items of a similar nature received	416	1,066
1.5	Interest and other costs of finance paid	-	-
1.6	Income taxes paid	-	-
1.7	Other - GST and Management fees	2,020	4,163
	Net Operating Cash Flows	(6,029)	(14,353)
Cash flows related to investing activities			
1.8	Payment for purchases of: (a) prospects	-	-
	(b) equity investments	-	-
	(c) other fixed assets	(11,373)	(21,960)
1.9	Proceeds from sale of: (a) prospects	-	-
	(b) equity investments	-	-
	(c) other fixed assets	-	-
1.10	Loans to other entities	-	-
1.11	Loans repaid by other entities	-	-
1.12	Other - security deposits	(1)	(1,125)
	Net investing cash flows	(11,374)	(23,085)
1.13	Total operating and investing cash flows (carried forward)	(17,403)	(37,438)

+ See chapter 19 for defined terms.

Appendix 5B
Mining exploration entity quarterly report

1.13	Total operating and investing cash flows (brought forward)	(17,403)	(37,438)
	Cash flows related to financing activities		
1.14	Proceeds from issues of shares, options, etc.	2,701	22,251
1.15	Proceeds from sale of forfeited shares	-	-
1.16	Proceeds from borrowings	-	12,170
1.17	Repayment of loan to BCI from JV	-	-
1.18	Dividends paid	-	-
1.19	Other - Share issue costs	-	(759)
	Net financing cash flows	2,701	33,662
	Net increase (decrease) in cash held	(14,702)	(3,776)
1.20	Cash at beginning of quarter/year to date	39,689	28,763
1.21	Exchange rate adjustments to item 1.20	-	-
1.22	Cash at end of quarter	24,987	24,987

Payments to directors of the entity and associates of the directors
Payments to related entities of the entity and associates of the related entities

		Current quarter \$A'000
1.23	Aggregate amount of payments to the parties included in item 1.2	211
1.24	Aggregate amount of loans to the parties included in item 1.10	

1.25 Explanation necessary for an understanding of the transactions
 Remuneration of Managing Director and Non-Executive Directors.

Non-cash financing and investing activities

2.1 Details of financing and investing transactions which have had a material effect on consolidated assets and liabilities but did not involve cash flows

N/A

2.2 Details of outlays made by other entities to establish or increase their share in projects in which the reporting entity has an interest

N/A

Financing facilities available

Add notes as necessary for an understanding of the position.

		Amount available \$A'000	Amount used \$A'000
3.1	Loan facilities	28,930	28,930
3.2	Credit standby arrangements	-	-

Appendix 5B
Mining exploration entity quarterly report

Estimated cash outflows for next quarter

		\$A'000
4.1	Exploration and evaluation	298
4.2	Development	9,974
4.3	Production	12,869
4.4	Administration	1,023
Total		24,164

Reconciliation of cash

Reconciliation of cash at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts is as follows.		Current quarter \$A'000	Previous quarter \$A'000
5.1	Cash on hand and at bank	14,020	22,354
5.2	Deposits at call	10,967	17,335
5.3	Bank overdraft		
5.4	Other (provide details)		
Total: cash at end of quarter (item 1.22)		24,987	39,689

Changes in interests in mining tenements- See attached tenement schedule for details

	Tenement reference	Nature of interest (note (2))	Interest at beginning of quarter	Interest at end of quarter
6.1	Interests in mining tenements relinquished, reduced or lapsed			
6.2	Interests in mining tenements acquired or increased			

+ See chapter 19 for defined terms.

Appendix 5B
Mining exploration entity quarterly report

Issued and quoted securities at end of current quarter

Description includes rate of interest and any redemption or conversion rights together with prices and dates.

		Total number	Number quoted	Issue price per security (see note 3) (cents)	Amount paid up per security (see note 3) (cents)
7.1	Preference securities <i>(description)</i>	-	-	-	-
7.2	Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs, redemptions	-	-	-	-
7.3	*Ordinary securities	94,361,000	94,361,000	-	-
7.4	Changes during quarter (a) Increases through issues (b) Exercise of options	- 250,000 250,000 250,000 150,000 200,000 250,000 200,000 50,000 100,000 100,000	- 250,000 250,000 250,000 150,000 200,000 250,000 200,000 50,000 100,000 100,000	- \$0.65 \$0.90 \$1.25 \$1.40 \$1.50 \$1.60 \$2.00 \$2.36 \$2.53 \$2.77	- \$0.65 \$0.90 \$1.25 \$1.40 \$1.50 \$1.60 \$2.00 \$2.36 \$2.53 \$2.77
	(b) Decreases through returns of capital, buy-backs	-	-	-	-
7.5	*Convertible debt securities <i>(description)</i>	-	-	-	-
7.6	Changes during quarter (a) Increases through issues (b) Decreases through securities matured, converted	- -	- -	- -	- -
7.7	Options			<i>Exercise price</i>	<i>Expiry date</i>
	Unlisted options BCI AI	250,000	Nil	\$1.85	15/08/11
	Unlisted options BCI AI	250,000	Nil	\$2.00	15/08/11
	Unlisted options	600,000	Nil	\$1.25 - \$1.60	1/08/12
	Unlisted options	400,000	Nil	\$1.25 - \$2.00	5/11/12
	Unlisted options	6,000,000	Nil	\$1.35	11/02/12
	Unlisted options	2,000,000	Nil	\$1.50	11/02/12
	Unlisted options	500,000	Nil	\$1.50	19/02/15
	Unlisted options	250,000	Nil	\$2.36 - \$3.14	30/06/13
7.8	Issued during quarter	-	-	-	-

Appendix 5B
Mining exploration entity quarterly report

7.9	Exercised during quarter	500,000	Nil	\$1.25 - \$2.00	21/08/11
		250,000	Nil	\$0.65	31/03/12
		250,000	Nil	\$0.90	31/03/12
		50,000	Nil	\$1.25 - \$1.60	1/08/12
		500,000	Nil	\$1.25 - \$1.60	3/09/12
		250,000	Nil	\$2.36 - \$2.77	30/06/13
7.10	Expired during quarter	-	-	-	-
7.11	Debentures <i>(totals only)</i>	-	-		
7.12	Unsecured notes <i>(totals only)</i>	-	-		

Compliance statement

- 1 This statement has been prepared under accounting policies which comply with accounting standards as defined in the Corporations Act or other standards acceptable to ASX (see note 4).
- 2 This statement does give a true and fair view of the matters disclosed.



Sign here: Date:28/4/2011.....
 Company secretary

Print name: MORGAN BALL.....

Notes

- 1 The quarterly report provides a basis for informing the market how the entity's activities have been financed for the past quarter and the effect on its cash position. An entity wanting to disclose additional information is encouraged to do so, in a note or notes attached to this report.
- 2 The "Nature of interest" (items 6.1 and 6.2) includes options in respect of interests in mining tenements acquired, exercised or lapsed during the reporting period. If the entity is involved in a joint venture agreement and there are conditions precedent which will change its percentage interest in a mining tenement, it should disclose the change of percentage interest and conditions precedent in the list required for items 6.1 and 6.2.
- 3 **Issued and quoted securities** The issue price and amount paid up is not required in items 7.1 and 7.3 for fully paid securities.

+ See chapter 19 for defined terms.

Appendix 5B
Mining exploration entity quarterly report

- 4 The definitions in, and provisions of, *AASB 1022: Accounting for Extractive Industries* and *AASB 1026: Statement of Cash Flows* apply to this report.
- 5 Accounting Standards ASX will accept, for example, the use of International Accounting Standards for foreign entities. If the standards used do not address a topic, the Australian standard on that topic (if any) must be complied with.

Tenement Schedule

31 March 2011

<u>Tenement Number</u>	<u>Registered Title Holder</u>	<u>BCI Interests</u>
EL 46/522	BC Iron Limited	BCI 100% with the exception of all diamond rights within the land the subject of the tenement and subject to Vaalbara Resources holding an 80% interest in Witwatersrand style mineralisation meaning gold, silver and uranium in particular but not including diamonds, on the tenement. In addition iron rights are held 50% BCI and 50% FMG.
EL 46/523	BC Iron Limited	BCI 100% with the exception of all diamond rights within the land the subject of the tenement and subject to Vaalbara Resources holding an 80% interest in Witwatersrand style mineralisation meaning gold, silver and uranium in particular but not including diamonds, on the tenement. In addition iron rights are held 50% BCI and 50% FMG.
EL 46/524	BC Iron Limited	BCI 100% with the exception of all diamond rights within the land the subject of the tenement and subject to Vaalbara Resources holding an 80% interest in Witwatersrand style mineralisation meaning gold, silver and uranium in particular but not including diamonds, on the tenement
EL 45/2552	BC Iron Limited	BCI 100% with the exception of iron rights which are held 50% BCI and 50% FMG
EL 45/2717	BC Iron Limited	BCI 100% with the exception of iron rights which are held 50% BCI and 50% FMG
EL 46/651	BC Iron Limited	BCI 100% with the exception of iron rights which are held 50% BCI and 50% FMG
EL 46/652	BC Iron Limited	BCI 100% with the exception of iron rights which are held 50% BCI and 50% FMG
EL 46/653	BC Iron Limited	BCI 100% with the exception of iron rights which are held 50% BCI and 50% FMG
EL 46/654	BC Iron Limited	BCI 100% with the exception of iron rights which are held 50% BCI and 50% FMG
EL 46/655	BC Iron Limited	BCI 100% with the exception of iron rights which are held 50% BCI and 50% FMG
EL 46/656	BC Iron Limited	BCI 100% with the exception of iron rights which are held 50% BCI and 50% FMG
EL 46/657	BC Iron Limited	BCI 100% with the exception of iron rights which are held 50% BCI and 50% FMG
EL 46/658	BC Iron Limited	BCI 100% with the exception of iron rights which are held 50% BCI and 50% FMG
EL 46/663	BC Iron Limited	BCI 100% with the exception of iron rights which are held 50% BCI and 50% FMG
L46/68	BC Iron Limited	BCI 100% Nullagine Project Miscellaneous Licence
EL 47/1887	BC Iron Limited	BCI 100% Bungaroo Creek Project
EL 47/1888	BC Iron Limited	BCI 100% Bungaroo Creek Project

Appendix 5B
Mining exploration entity quarterly report

EL 47/1889	BC Iron Limited	BCI 100% Bungaroo Creek Project
EL 47/1890	BC Iron Limited	BCI 100% Bungaroo Creek Project
EL 47/1891	BC Iron Limited	BCI 100% Bungaroo Creek Project
EL(A) 45/3790	BC Iron Nullagine Pty Ltd	BCIN 100% Exploration Licence Application
EL(A) 46/ 806-808	BC Iron Limited	BCI 100% Exploration Licence Applications
EL(A) 46/904	BC Iron Nullagine Pty Ltd	BCIN 100% Exploration Licence Application
EL(A) 46/928 -931	BC Iron Nullagine Pty Ltd	BCIN 100% Exploration Licence Applications
ML 46/515	BC Iron Limited	BCI 100% with the exception of iron rights which are held 50% BCI and 50% FMG
GPL 46/8	BC Iron Limited	BCI 100% Nullagine Project General Purpose Lease
GPL 46/9	BC Iron Limited	BCI 100% Nullagine Project General Purpose Lease
L 46/73	BC Iron Limited	BCI 100% Nullagine Project Miscellaneous Licence
L 46/74	BC Iron Limited	BCI 100% Nullagine Project Miscellaneous Licence
L 46/75	BC Iron Limited	BCI 100% Nullagine Project Miscellaneous Licence
L 46/76	BC Iron Limited	BCI 100% Nullagine Project Miscellaneous Licence
L 46/79	BC Iron Nullagine Pty Ltd	BCIN 100% Nullagine Project Miscellaneous Licence
L 46/80	BC Iron Nullagine Pty Ltd	BCIN 100% Nullagine Project Miscellaneous Licence
L 46/81	BC Iron Nullagine Pty Ltd	BCIN 100% Nullagine Project Miscellaneous Licence
L 46/82	BC Iron Nullagine Pty Ltd	BCIN 100% Nullagine Project Miscellaneous Licence
L46/83	BC Iron Nullagine Pty Ltd	BCIN 100% Nullagine Project Miscellaneous Licence
L 46/84	BC Iron Nullagine Pty Ltd	BCIN 100% Nullagine Project Miscellaneous Licence
L 46/85	BC Iron Nullagine Pty Ltd	BCIN 100% Nullagine Project Miscellaneous Licence
L (A) 46/93	BC Iron Nullagine Pty Ltd	BCIN 100% Nullagine Project Miscellaneous Licence Application
L (A) 46/94	BC Iron Nullagine Pty Ltd	BCIN 100% Nullagine Project Miscellaneous Licence Application
L (A) 46/95	BC Iron Nullagine Pty Ltd	BCIN 100% Nullagine Project Miscellaneous Licence Application

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