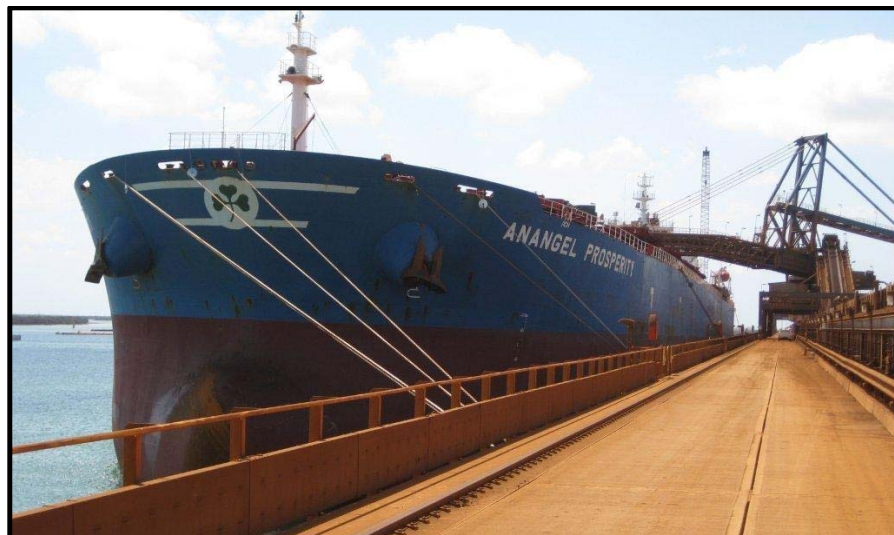


First Full Cape Size Vessel for BC Iron

Australian iron ore producer BC Iron Limited (“**BC Iron**”) (ASX:BCI) is pleased to advise that its Nullagine Iron Ore Joint Venture (“**NJV**”), a 50:50 joint venture between BC Iron and Fortescue Metals Group Limited (“**Fortescue**”) has dispatched its first full cape size vessel shipment from Fortescue’s Herb Elliott Port in Port Hedland. The 170,000t “*Anangel Prosperity*” sailed on 1 November, as scheduled.

The NJV ore is a true Direct Shipping Ore (“**DSO**”) product. It is mined, crushed and screened at BC Iron’s mine site near Nullagine, then trucked 55km via a private bitumen haul road to Fortescue’s Christmas Creek operation. From here, the ore is loaded on to trains via Fortescue’s reclaimer system for the ~300km rail link to Port Hedland.

The NJV is on track to achieve a production rate of >3Mtpa by the end of CY2011 and remains confident meeting its FY2012 forecast of shipping 3.5Mt.



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 Western Australia. The Company's core focus 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, 50km south of the Mine, to rail its ore to Port Hedland from where it is shipped directly 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.

Key Statistics

Shares on Issue:	95.2 million	
Cash & equivalents:	30 September 2011	~\$16.2m
Board and Management:	Tony Kiernan	Chairman & Non-Executive Director
	Mike Young	Managing Director
	Terry Ransted	Non-Executive Director
	Andy Haslam	Non-Executive Director
	Glenn Baldwin	Non-Executive Director
	David Coyne	Alternate Non-Executive Director
	Morgan Ball	CFO & Company Secretary
Major Shareholders:	Consolidated Minerals:	24.1%
	Regent Pacific Group:	22.7%

Website: www.bciron.com.au