

ASX RELEASE – 12 MARCH 2012

Media Article Correction

On 9 March 2012, an article was written in the “In brief” column of the Australian Financial Review (“**AFR**”) reporting that BC Iron (“**BC Iron**” or “**the Company**”) was forced to pay the Australian Securities and Investments Commission (“**ASIC**”) \$66,000 after being found to have breached its continuous disclosure obligations.

The article was manifestly incorrect.

The position was that BC Iron elected of its own accord to make the payment under the infringement notice to avoid protracted litigation with ASIC even though Senior Counsel’s advice to BC Iron had concluded that the ASIC allegation was “bound to fail” and was “manifestly flawed.”

The BC Iron ASX release and ASIC public statement (released on 8 March 2012) clearly point out that the Company’s election to pay \$66,000 was not an admission of guilt nor did it or the infringement notice constitute a finding of a breach of the Corporations Act or BC Iron’s continuous disclosure obligations.

The Company understands the Australian Financial Review will publish a clarifying article which BC Iron appreciates.

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FOR FURTHER INFORMATION:

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