



BC IRON
LIMITED



Acquisition of Iron Ore Holdings

BCI to Strengthen Pilbara Iron Ore Portfolio

ASX:BCI
ASX:IOH
11 Aug 2014



Transaction Details

Structure	<ul style="list-style-type: none">➤ Recommended off-market takeover for 100% of IOH shares➤ 0.44 new BC Iron shares plus \$0.10 cash for each IOH share➤ BC Iron will enter into private treaty arrangements with IOH option holders to acquire all of their options
Offer Value	<ul style="list-style-type: none">➤ A\$1.59 per IOH share (based on BC Iron 60 day VWAP)➤ 79% premium to IOH 60 day VWAP on 8 August 2014 of A\$0.89
Recommendation	<ul style="list-style-type: none">➤ Offer is unanimously recommended by the Board of IOH, in the absence of a superior proposal➤ IOH Directors intend to accept or procure acceptance of the Offer in respect of IOH shares they control
ACE Intentions	<ul style="list-style-type: none">➤ Australian Capital Equity (ACE) intends to accept the offer within 14 business days of it opening, in the absence of a superior proposal
Relative Ownership	<ul style="list-style-type: none">➤ BC Iron current shareholders will own approximately 63.4% of the combined entity➤ IOH security holders will own approximately 36.6% of the combined entity<ul style="list-style-type: none">❖ ACE will own 19.0% of the combined entity
Offer Conditions	<ul style="list-style-type: none">➤ 90% minimum acceptance condition➤ Consent of Pilbara Ports Authority to change of control in IOH➤ No Material Adverse Change➤ Platts 62% Fe CFR China iron ore price converted to AUD does not close below A\$90/dmt on any 20 consecutive days on which Platts publishes an assessment➤ S&P/ASX200 does not close 10% or more below the level on announcement day for 5 consecutive trading days➤ Other customary conditions
BC Iron Dividend	<ul style="list-style-type: none">➤ Subject to Board approval on 27 August 2014, BC Iron expects to announce a fully franked, final dividend for FY14 of A\$0.15 per share➤ IOH shareholders that accept the offer will not receive this dividend

BC Iron to strengthen its Pilbara portfolio with acquisition of IOH.

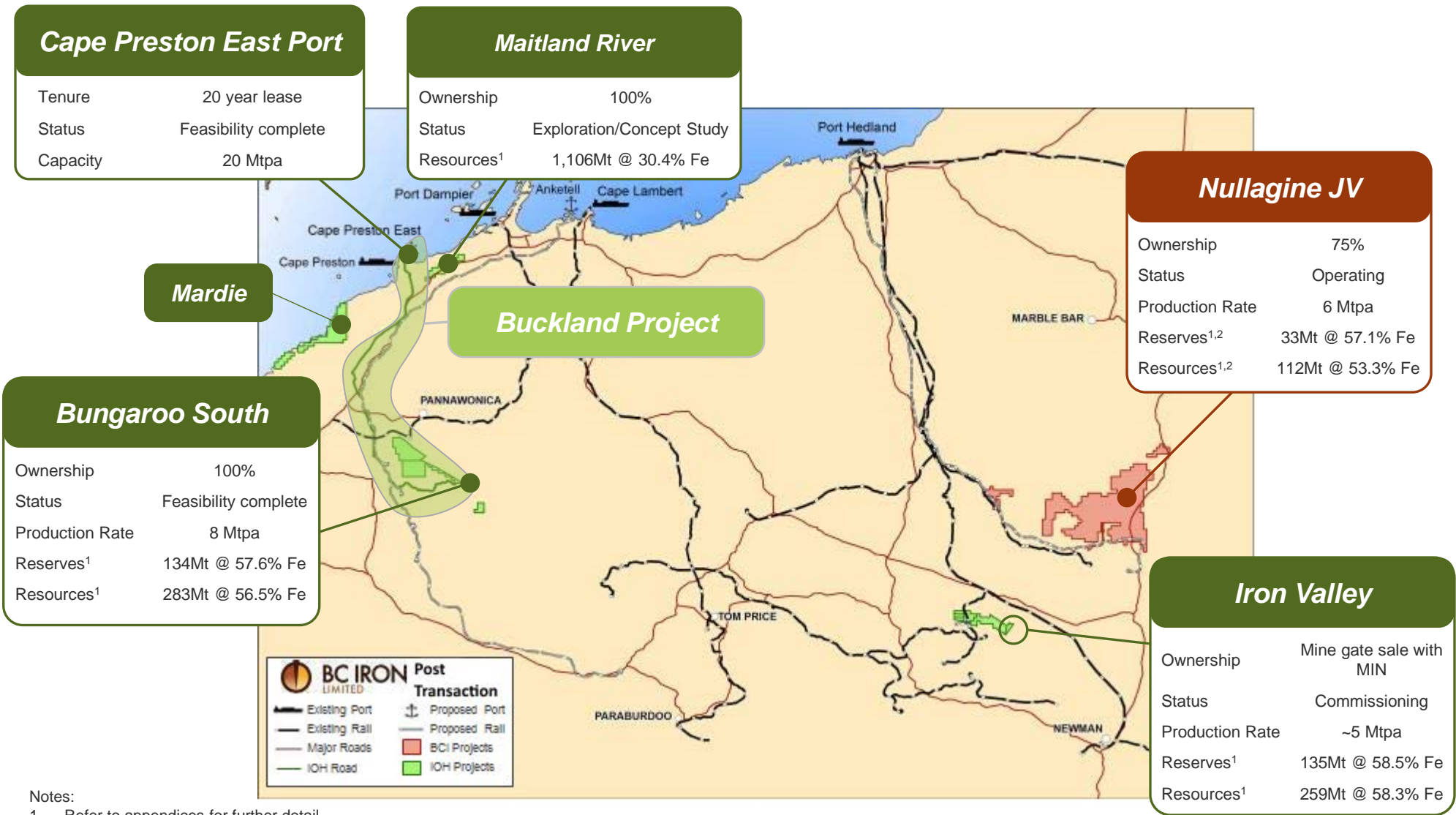
<p>1 Enhanced asset portfolio</p>	<ul style="list-style-type: none"> ➤ Creates a leading mid-cap iron ore company with an attractive and complementary portfolio of production and development assets in the Pilbara, the world's best iron ore address ➤ Delivers a multi-decade growth path for all shareholders
<p>2 Substantial Reserve & Resource base</p>	<ul style="list-style-type: none"> ➤ Combined DSO / CID Ore Reserves of 294.0 Mt at 58.0% Fe¹ (BCI: 25.0 Mt, IOH: 269.0 Mt) (equity) ➤ Combined DSO / CID Mineral Resources of 626.5 Mt at 56.8%² Fe (BCI: 84.2 Mt, IOH: 542.3Mt) (equity) ➤ Combined total magnetite Mineral Resources of 1,106.0 Mt at 30.4%³ Fe (equity)
<p>3 Iron Valley – imminent, low-risk cash flows</p>	<ul style="list-style-type: none"> ➤ Near-to-production mine expected to start generating meaningful, low risk cash flows from production in current quarter, via 20 year mine gate sale agreement with Mineral Resources Limited (MIN) ➤ IOH remains owner of tenement and project Resources & Reserves
<p>4 Buckland – advanced, long-life development project</p>	<ul style="list-style-type: none"> ➤ Advanced development project with Feasibility Study (FS) completed in June 2014 ➤ Long life (15 years at 8 Mtpa), low capital intensity (~A\$93 / annual tonne)⁴, low LOM strip ratio (1:1) and comparable cash operating costs to BC Iron's existing operations (~A\$44/wmt over LOM)⁵
<p>5 Independent infrastructure creates optionality</p>	<ul style="list-style-type: none"> ➤ Opportunity to control an independent infrastructure solution in the West Pilbara via proposed private haul road and 20 Mtpa port at Cape Preston East ➤ Creates opportunities for additional income streams from third party tonnes (not included in FS)
<p>6 Enhanced funding position</p>	<ul style="list-style-type: none"> ➤ Existing operating cash flows from Nullagine and Iron Valley, and a strong balance sheet with unaudited pro forma cash as at 30 June 2014 of A\$190 million⁶ and debt of A\$54 million ➤ Increased scale and capability to fund development of the Buckland project
<p>7 High quality Board & management, and supportive shareholder</p>	<ul style="list-style-type: none"> ➤ Combination of BC Iron's successful team with key members from IOH to create a proven Board and management team with a track record of value creation and paying dividends ➤ Supportive major shareholders with strong links into BC Iron's key markets

Notes:

1. See slide 7 for further detail
2. See slide 7 for further detail
3. See slide 7 for further detail

4. Based on upfront capital costs of A\$744 million and 8 Mtpa operation (as per IOH Feasibility Study announcement on 4 June 2014)
5. Calculated based on Feasibility Study LOM C1 opex estimate of A\$48.40/dmt and LOM moisture of 9%
6. Comprised of BC Iron & IOH cash as at 30 June 2014, less A\$16 million paid to IOH shareholders (i.e. A\$0.10 per IOH share) under the Offer and A\$4 million in transaction costs (excludes stamp duty, which will be payable on the transaction, but the quantum and timing of this is not yet known).

Overview of Combined Group



Notes:

1. Refer to appendices for further detail.
2. Nullagine Reserves and Resources as at 31 December 2013.

The Boards of BC Iron and IOH believe the transaction delivers significant benefits to both sets of shareholders.

Benefits for IOH Shareholders

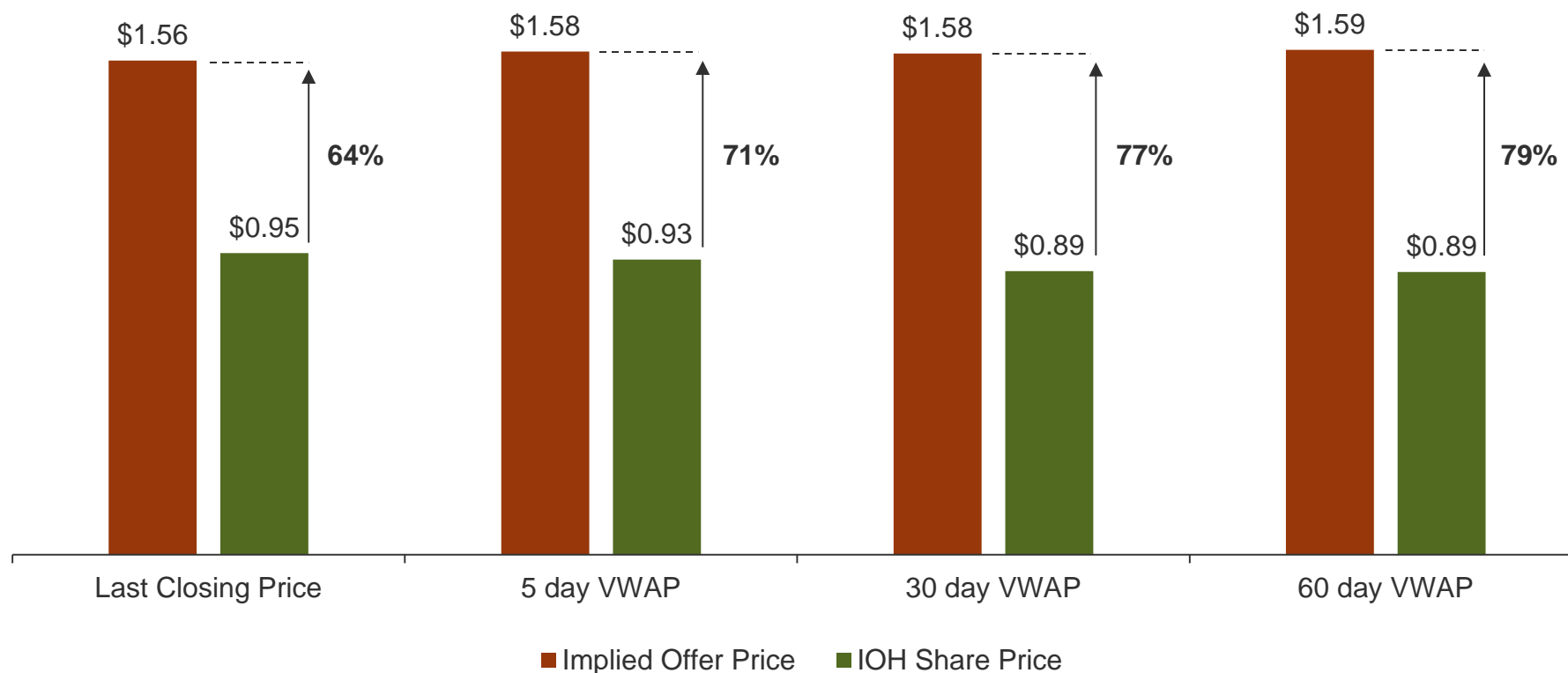
- ✓ Immediate and material value uplift through attractive premiums relative to recent trading (see next slide)
- ✓ Exposure to a successful, dividend paying iron ore miner with existing operations with low operating costs and a high quality product
- ✓ Participation in future growth of combined entity, with an attractive portfolio of production and development assets located in the Pilbara region
- ✓ Strengthened balance sheet and improved capability to fund development of Buckland
- ✓ Access to BC Iron's experienced management team, with a track record of delivering value to shareholders
- ✓ Increased liquidity and scale of combined entity
- ✓ Scrip-for-scrip rollover relief potentially available on the scrip component of the transaction

Benefits for BC Iron Shareholders

- ✓ Secures long-term future in the Pilbara and creates a multi-decade growth path
- ✓ Significantly increases BC Iron's Ore Reserves and Mineral Resources, and provides growth options beyond the existing mine life of NJV
- ✓ Diversifies BC Iron's asset base
- ✓ Delivers BC Iron a presence in the West Pilbara, including an asset with an independent infrastructure solution
- ✓ Imminent, low risk cash flows from Iron Valley under existing mine gate sale agreement with MRL
- ✓ Access to key members of the IOH management team, who have proven themselves adept at generating value from assets over the past three years
- ✓ Transaction synergies
- ✓ New, supportive major shareholder

Transaction Premiums

The transaction terms imply premiums of 64-79% for IOH shareholders.



Note: Implied offer price calculated at 0.44 BC Iron shares and A\$0.10/share cash for each IOH share, BC Iron last closing price as at 8 August 2014 of A\$3.31, 5 day VWAP of A\$3.37, 30 day VWAP of A\$3.36 and 60 day VWAP of A\$3.39.

Combined Group – Overview



Capital Structure

Ordinary Shares	196.2m
Share Price (at 8-Aug-14)	\$3.31
Market Capitalisation	\$649m
Cash (at 30-Jun-14) ¹	\$190m
Debt (at 30-Jun-14)	\$54m
Enterprise Value	\$513m
Options / Performance Rights	0.7m

Board

Tony Kiernan
Non-Executive Chairman

Andy Haslam
Non-Executive Director

Brian O'Donnell
Non-Executive Director

Alwyn Vorster
Non-Executive Director

Mike Young
Non-Executive Director

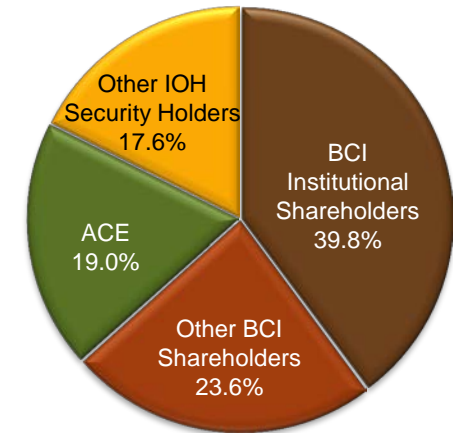
Morgan Ball
Managing Director & CEO

Malcolm McComas
Non-Executive Director

Terry Ransted
Non-Executive Director

Peter Wilshaw
Non-Executive Director

Shareholder Breakdown



Reserves (Equity Basis)²

Project	Tonnes (Mt)	Fe (%)	CaFe (%)	SiO ₂ (%)	Al ₂ O ₃ (%)	P (%)	LOI (%)
Nullagine	25.0	57.1	64.9	3.0	1.9	0.01	12.0
Buckland	134.3	57.6	62.6	6.5	2.4	0.15	8.0
Iron Valley	134.7	58.5	63.0	4.9	3.2	0.17	7.2
Total	294.0	58.0	63.0	5.5	2.7	0.15	8.0

Resources (Equity Basis)²

Project	Tonnes (Mt)	Fe (%)	CaFe (%)	SiO ₂ (%)	Al ₂ O ₃ (%)	P (%)	LOI (%)
Nullagine	84.2	53.3	60.6	5.3	4.1	0.02	12.1
Buckland	283.2	56.5	61.4	7.8	2.6	0.15	8.0
Iron Valley	259.1	58.3	62.7	5.4	3.2	0.17	6.9
Sub-total	626.5	56.8	61.8	6.5	3.1	0.14	8.1
Maitland	1,106.0	30.4	30.8	44.0	2.3	0.06	1.2

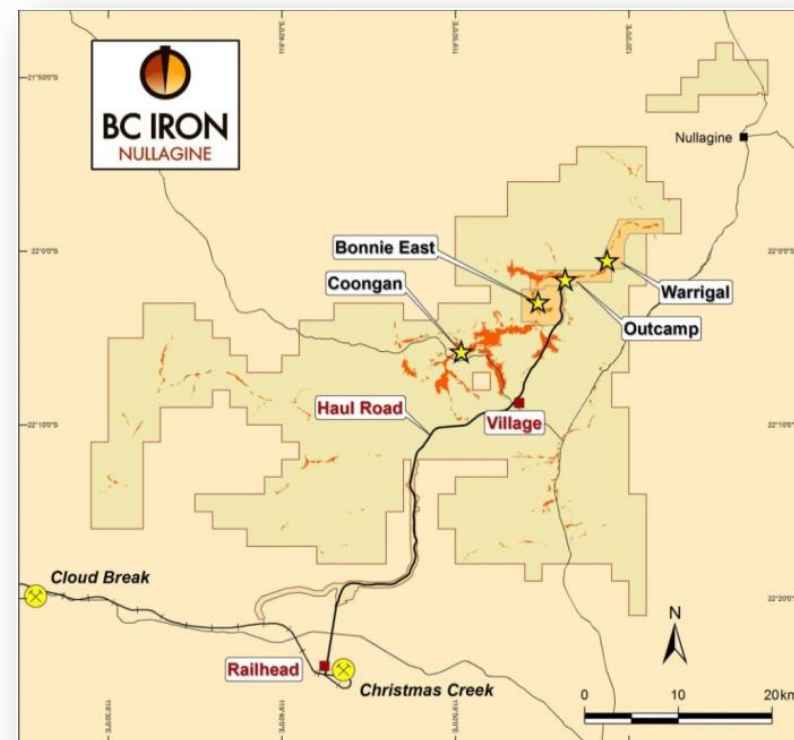
1. Comprised of BC Iron & IOH cash as at 30 June 2014, less A\$16 million paid to IOH shareholders (i.e. A\$0.10 per IOH share) under the Offer and A\$4 million in transaction costs (excludes stamp duty, which will be payable on the transaction, but the quantum and timing of this is not yet known).
2. Refer to Appendices for relevant detail and Competent Persons Statements.

Nullagine Joint Venture

A producing DSO mine with access to world-class infrastructure.

- Located ~55km north of FMG's Christmas Creek
- Unincorporated joint venture – 75% BC Iron, 25% FMG
 - ❖ BC Iron is the Operator and Manager of the NJV
 - ❖ FMG provides rail & port services (through TPI) and marketing services
- At steady state – FY15 sales guidance of 5.8-6.2M wmt
- Produces 'Bonnie Fines' a quality sinter feed product
- Mine of ~5 years based on Reserves – assessing extensions via low grade beneficiation (Project Inventory)
- Cost competitive – C1 cash costs guidance of \$49-53/wmt and all-in cash cost guidance of \$60-68/wmt¹ in FY15

1: Total cash costs are C1 cash costs plus royalties, marketing, corporate costs and interest payments.



Mining
Surface miners extract ore from low strip ratio flat-top hills

Processing
Simple dry crushing & screening process

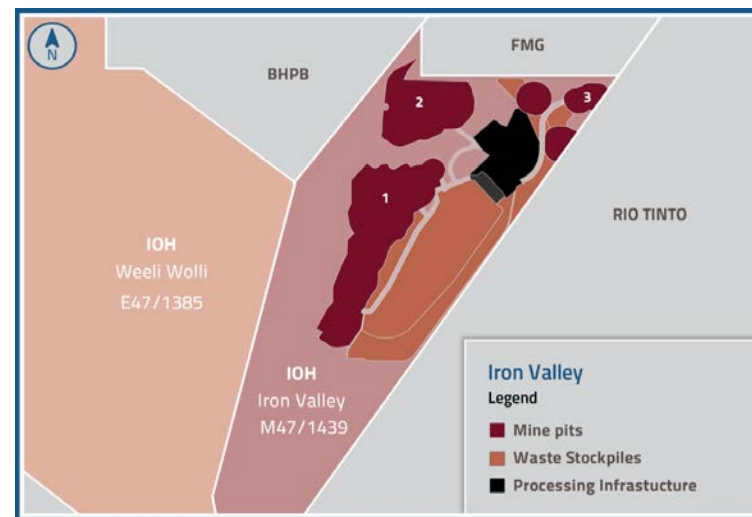
Road Haulage
Via ~60km private sealed haul road to FMG's Christmas Creek

Rail Haulage
Via FMG's ~300km heavy gauge railway to Port Hedland

Port Services
Exported on Capesize vessels through FMG's world class Port

Near production mine expected to generate meaningful, low risk cash flows.

- Mine gate sale agreement with Mineral Resources Limited (MIN)
 - ❖ IOH to retain tenement ownership and statutory obligations (incl. government royalties)
 - ❖ MIN to develop and operate mine at MIN's cost
 - ❖ MIN to purchase minimum annual tonnage at mine gate
 - ❖ Term of agreements is lesser of 20 years or 200Mt product purchased by MIN
- JORC Ore Reserve of 134.7 Mt at 58.5% Fe¹
- JORC Resource of 259.1 Mt at 58.3% Fe¹
- Construction 90% complete (August 2014)
- Bulk sample produced (June 2014)
- First shipments expected in 3Q CY14, with first revenue later in 2H CY14
- Ramp-up expected to ~5Mtpa in FY15, installed infrastructure for 6Mtpa



Iron Valley – Mine Layout



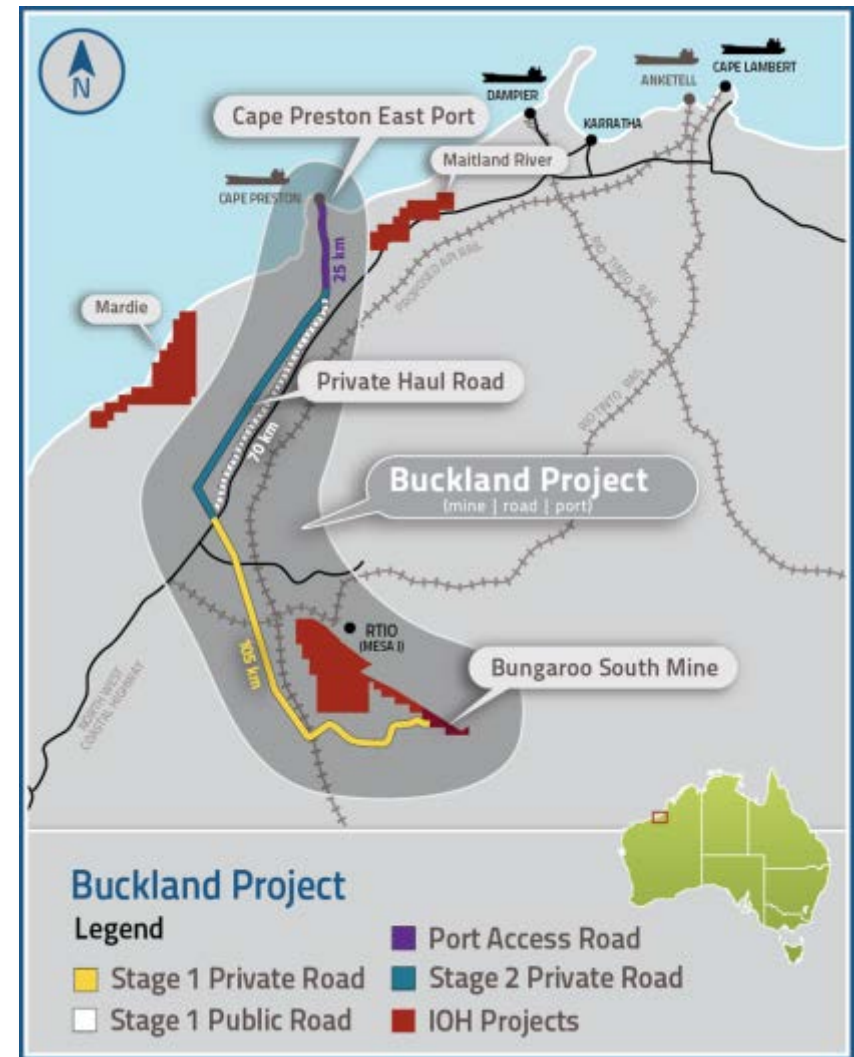
Iron Valley Commissioning - August 2014

1. Refer to appendices for relevant detail.

Buckland Project – Overview

A potential mine with an independent infrastructure solution.

- Wholly owned project located in the West Pilbara region
- JORC Ore Reserve of 134.3 Mt at 57.6% Fe¹
- JORC Resource of 283.2 Mt at 56.5% Fe¹
- Potential 8 Mtpa operation for 15 years at 1:1 strip ratio
- Life of mine product grade of ~58% Fe
- Haulage via private / public roads initially utilising 115t trucks, moving to entirely private roads and 200t trucks by year 3
- Transshipping solution at the proposed Cape Preston East Port
- Feasibility study completed in June 2014
- Low capital intensity of A\$93 per annual tonne²
- Comparable C1 cash costs (FOB) to Nullagine
- All major permits and approvals received



1. Refer to appendices for relevant detail.
2. Based on Feasibility Study initial capex of A\$744m (real 2014\$).

Buckland Project – Feasibility Study Results

The Feasibility Study has confirmed Buckland’s technical and financial viability.

Capital Cost Estimate

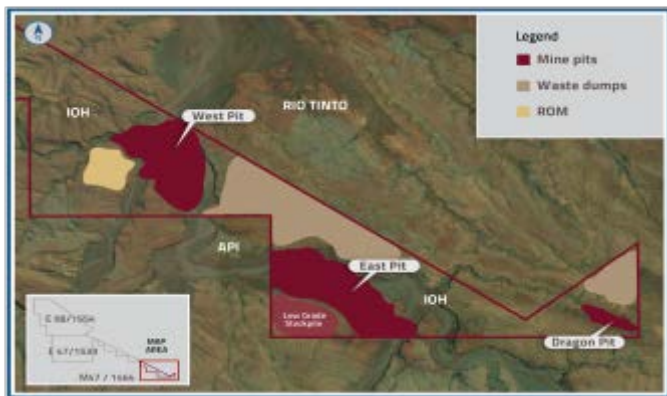
Area	Initial (\$M)
Mining & Processing	149
Haul Roads & Service Facilities	207
Transshipment Facility	208
Indirect Costs	180
Total Initial Capital Costs	744
Area	Deferred (\$M)
Stage 2 Road (including Indirect Costs)	105
Wet Process Plant (including Indirect Costs)	28
Total Deferred Capital Costs	133
Total Initial & Deferred Capital Costs	877

Operating Cost Estimate: LOM Average

Area	\$/dmt	\$/wmt ¹
Mining & Processing	18.36	
Road Haulage	17.44	
Transshipment Facility	7.07	
Corporate & Admin	4.36	
Contingency	1.17	
C1 Cash Costs (FOB)	48.40	44.04
Royalties, levies, marketing	8.63	
All-in Cash Costs (FOB)	57.03	51.90

IOH Reported Financial Evaluation

Item	Number
Annual Production	8Mtpa
Long Term Iron Ore Price (62% Fe, FOB)	US\$90/dmt
Long Term Foreign Exchange Rate	0.80 USD/AUD
Discount Rate	10% pre-tax real
Pre-tax Project NPV	\$990M
Pre-tax IRR	24%
Payback Period	5 years



1. Based on life of mine average moisture of 9% for Buckland.

Buckland Project – Cape Preston East

The Feasibility Study has confirmed Buckland's technical and financial viability.

- Cape Preston East port lease secured
 - ❖ *Exclusive rights to construct and operate onshore & marine facilities*
 - ❖ *Up to 20Mtpa operation for 20 years with options to expand*
 - ❖ *Potential for third party tonnages*
- Allowance for 8 stockpiles of 190kt each
- Onshore approach similar to Utah Point at Port Hedland
- 1.4km piled A-frame jetty to 5.5m deep loading pocket
- No requirement for dredging
- Slewing and luffing ship loader
- Self-propelling and self-discharging vessel, with 15-20kt capacity (5.5m loaded draft)
- Loading 180kt Capesize vessel in 5 days



Combined Group – Other Assets

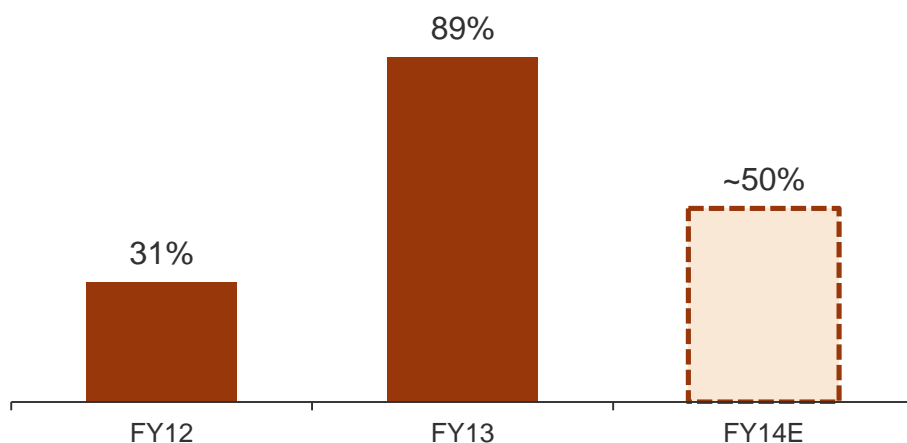
Asset	Ownership	Location	Description	Resources
Koodaideri South Royalty	-	Central Pilbara – 20 km NW of Iron Valley	<ul style="list-style-type: none"> ➤ 2% FOB revenue royalty is payable to IOH by Rio Tinto on any ore mined from the project 	-
North Marillana Royalty	-	Central Pilbara – 50 km W of Iron Valley	<ul style="list-style-type: none"> ➤ 2.5% FOB revenue royalty is payable to IOH by Maiden Iron on any iron ore produced from the tenements 	-
Maitland River	100% IOH	West Pilbara – 20 km SE of Cape Preston East	<ul style="list-style-type: none"> ➤ Well-located magnetite project near Cape Preston East, and existing road and gas infrastructure ➤ Concept Study completed in December 2012 	1,106Mt @ 30.4% Fe ¹
Mardie	100% IOH	West Pilbara – 70 km SW of Cape Preston East	<ul style="list-style-type: none"> ➤ Exploration project with potential for both hematite and magnetite ore ➤ A Pre-Feasibility Study has been completed on a potential salt operation 	-
Bahia & Minas Novas	Alliance between BC Iron & Cleveland Mining Company Limited; has right to earn up to 80%	Brazil – Bahia and Minas Gerais states	<ul style="list-style-type: none"> ➤ Greenfields exploration projects targeting itabirite mineralisation which can be easily upgrade to a high grade product 	-

1. Refer to appendices for relevant detail.

FY14 Final Dividend Guidance

- Following completion of the FY14 financial results audit, BC Iron expects to announce a fully franked, final dividend of A\$0.15 per share (subject to Board approval on 27 August 2014)
- The dividend will be payable to BC Iron shareholders on the Record Date (likely to be early September 2014)
- IOH shareholders that accept the Offer will not be entitled to receive this dividend, as will not have received BC Iron shares by the Record Date
- When added to BC Iron's interim FY14 dividend of A\$0.17 per share (fully franked), and based on BC Iron's current unaudited estimate of FY14 statutory net profit after tax ("NPAT"), this would at the top end of the target payout ratio previously advised by BC Iron of 30-50% of NPAT

BC Iron Historical Dividend Payout Ratio (%)



BC Iron Dividend History

Period	Dividend (cps)
FY14 Final (expected)	15 (fully franked)
FY14 Interim	17 (fully franked)
FY13 Final	30 (fully franked)
FY13 Interim	5 (fully franked)
FY12 Final ¹	15 (fully franked)

1. The FY12 final dividend was BC Iron's maiden dividend and was a full year dividend. The payout ratio is calculated on NPAT for the entire FY12.

Indicative Timetable

Milestone	Indicative Date
Transaction announcement	Monday, 11 August
Lodge Bidder's & Target's Statements	Late August
Despatch Bidder's & Target's Statements	Late August
Offer opens	Late August
Declare dividend	Wednesday, 27 August
Record date for dividend	Early September
ACE acceptance (in the absence of a superior offer)	Within 14 business days after Offer opens
Offer closes	Late September (unless extended)



BC IRON
LIMITED

IRON ORE
HOLDINGS LTD

Appendices



Nullagine JV Ore Reserves & Mineral Resources

NJV Ore Reserve at 31 Dec 2013 (BC Iron 75%, FMG 25%)

Classification	Mt	Fe%	CaFe%	Al ₂ O ₃ %	SiO ₂ %	P%	S%	LOI
Proved	15.0	57.3	65.0	1.8	2.9	0.014	0.012	11.9
Probable	18.3	56.9	64.8	2.0	3.0	0.014	0.011	12.2
Total	33.3	57.1	64.9	1.9	3.0	0.014	0.011	12.0

NJV DSO Mineral Resource at 31 Dec 2013 (BC Iron 75%, FMG 25%)

Classification	Mt	Fe%	CaFe%	Al ₂ O ₃ %	SiO ₂ %	P%	S%	LOI
Measured	17.6	57.2	64.8	2.0	3.0	0.015	0.012	11.8
Indicated	20.2	57.0	64.9	2.0	2.9	0.014	0.011	12.1
Inferred	6.8	57.0	64.1	2.6	3.9	0.023	0.014	11.1
Total DSO	44.6	57.1	64.7	2.1	3.1	0.016	0.012	11.9

NJV CID Mineral Resource at 31 Dec 2013 (BC Iron 75%, FMG 25%)

Classification	Mt	Fe%	CaFe%	Al ₂ O ₃ %	SiO ₂ %	P%	S%	LOI
Measured	25.6	54.6	62.3	3.0	4.1	0.016	0.013	12.4
Indicated	40.0	53.8	61.6	3.3	4.5	0.017	0.012	12.8
Inferred	46.6	52.1	58.8	5.4	6.6	0.024	0.018	11.3
Total CID	112.2	53.3	60.6	4.1	5.3	0.020	0.015	12.1

Note:

Ore Reserves are a subset of DSO Mineral Resources. DSO Mineral Resources are a subset of CID Mineral Resources.

DSO ("Direct Shipping Ore") is considered to be ore types which do not require significant beneficiation (upgrading) before it is usable feedstock in the sinter or iron making processes.

IOH Ore Reserves

Buckland Project Ore Reserve at 30 June 2014

Project	Deposit	JORC Ore Reserve	Cut-off (% Fe)	Tonnes ^B (Mt)	Fe (%)	CaFe (%)	SiO ₂ (%)	Al ₂ O ₃ (%)	P (%)	LOI (%)	
Buckland	Bungaroo South	Proved	54	23.2	58.3	62.9	5.8	2.9	0.15	7.4	
		Probable		106.7	57.5	62.6	6.6	2.3	0.15	8.1	
	Dragon	Proved		-	-	-	-	-	-	-	-
		Probable		4.4	57.1	62.3	6.5	2.8	0.14	8.4	
	Subtotal	Proved		23.2	58.3	62.9	5.8	2.9	0.15	7.4	
		Probable		111.1	57.5	62.6	6.6	2.3	0.15	8.1	
Total				134.3	57.6	62.6	6.5	2.4	0.15	8.0	

IOH Total Ore Reserves at 30 June 2014

Project	Deposit	JORC Ore Reserve	Cut-off (% Fe)	Tonnes ^B (Mt)	Fe (%)	CaFe (%)	SiO ₂ (%)	Al ₂ O ₃ (%)	P (%)	LOI (%)	
Iron Valley	Iron Valley ^A	Proved	-	-	-	-	-	-	-	-	
		Probable	53	134.7	58.5	63.0	4.9	3.2	0.17	7.2	
Buckland	Bungaroo South	Proved	54	23.2	58.3	62.9	5.8	2.9	0.15	7.4	
		Probable		106.7	57.5	62.6	6.6	2.3	0.15	8.1	
	Dragon	Proved		-	-	-	-	-	-	-	-
		Probable		4.4	57.1	62.3	6.5	2.8	0.14	8.4	
Total				269.0	58.1	62.8	5.7	2.8	0.16	7.6	

Notes:

A. Reported in 2012 in accordance with JORC Code 2004 edition.

B. Tonnages are dry metric tonnes and have been rounded, hence small differences may be present in totals.

IOH Mineral Resources

IOH Total Mineral Resource at 30 June 2014

Location	Type	Project	Deposit	JORC Class	Cut-off (%Fe)	Tonnes ^B (Mt)	Fe (%)	CaFe (%)	SiO ₂ (%)	Al ₂ O ₃ (%)	P (%)	LOI (%)
Central Pilbara	DSO ^C	Iron Valley ^A	Iron Valley	Indicated	50	216.3	58.4	63.0	5.1	3.1	0.18	7.2
				Inferred	50	42.8	57.9	61.1	7.0	3.9	0.14	5.2
Western Pilbara		Bungaroo South	Measured	50	30.9	57.4	62.1	6.7	3.0	0.15	7.6	
			Indicated	50	214.9	56.6	61.6	7.8	2.4	0.15	8.1	
		Dragon	Indicated	50	9.1	55.8	60.9	8.1	3.1	0.14	8.3	
			Inferred	50	3.4	54.7	59.4	10.2	3.0	0.13	7.9	
		Rabbit	Indicated	50	5.9	55.0	58.9	10.3	3.4	0.13	6.6	
			Inferred	50	1.3	53.7	58.1	11.2	3.3	0.08	7.5	
		Rooster	Indicated	50	5.2	55.8	60.2	7.2	4.6	0.08	7.3	
			Inferred	50	5.4	52.1	56.8	9.6	6.3	0.06	8.3	
		Snake	Inferred	50	7.1	57.0	62.6	5.8	2.8	0.15	9.0	
		Sub Total	Measured	50	30.9	57.4	62.1	6.7	3.0	0.15	7.6	
Indicated			50	451.4	57.4	62.2	6.5	2.8	0.16	7.7		
Inferred			50	60.0	57.0	60.7	7.3	3.9	0.13	6.1		
Total						542.3	57.4	62.0	6.6	2.9	0.16	7.5
Coastal Pilbara	BFO ^D	Maitland	Maitland River ^A	Inferred	26	1,106.0 ^E	30.4	30.8	44.0	2.3	0.06	1.2

Notes:

- This information was prepared and first disclosed under the JORC Code 2004. It has not been updated since to comply with JORC Code 2012 on the basis that the information has not materially changed since it was last reported. All other resources classified and reported in accordance with JORC Code 2012 edition.
- Tonnages are dry metric tonnes and have been rounded, hence small differences may be present in the totals.
- DSO ("Direct Shipping Ore") is considered to be ore types which do not require significant beneficiation (upgrading) before it is usable feedstock in the sinter or iron making processes.
- BFO ("Beneficiable Feed Ore") is comprised of ore types which require significant beneficiation (upgrading) before it is usable as feedstock on the sinter or iron making processes.
- Indicative Davis Tube Recovery (grind size, P80 25µ) test work produced a magnetite concentrate with weight yields ranging from 13-28%.

Notices Regarding Ore Reserves & Mineral Resources



BC Iron Ore Reserves and Mineral Resources Disclosures

The information in this announcement is extracted from the ASX announcement entitled NJV Ore Reserves and Mineral Resources dated 3 March 2014 and is available to view on <http://www.bciron.com.au/investors/asx-announcements/2014.html>. BC Iron confirms that it is not aware of any new information or data that materially affects the information included in the original market announcement and, in the case of estimates of Mineral Resources or Ore Reserves, that all material assumptions and technical parameters underpinning the estimate in the original market announcement continue to apply and have not materially changed. BC Iron confirms that the form and context in which the Competent Persons' findings are presented have not been materially modified from the original market announcement.

IOH Ore Reserves and Mineral Resources Disclosures

The information in this announcement that relates to Mineral Resources and Ore Reserves at the Buckland Project is extracted from the ASX Announcement titled "Buckland Project – Updated Ore Reserve" (dated 4 June 2014). This announcement is available to view at www.ironoreholdings.com. The company confirms that it is not aware of any new information or data that materially affects the information included in the original market announcements. The company confirms that the form and context in which the Competent Person's findings are presented have not been materially modified from the original market announcements.

In respect of the Iron Valley and Maitland River deposits the information in this announcement that relates to Mineral Resources estimates has been compiled by Mr Lynn Widenbar, who is a Member of the Australasian Institute of Mining and Metallurgy. Mr Widenbar is a full time employee of Widenbar and Associates and produced the Mineral Resource Estimates based on data and geological information supplied by IOH. Mr Widenbar has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity that he is undertaking to qualify as a Competent Person as defined in the 2004 Edition of the Australasian Code for Reporting of Exploration Results, Minerals Resources and Ore Reserves. Mr Widenbar consents to the inclusion in this announcement of the matters based on his information in the form and context that the information appears. It has been not been updated to comply with JORC Code 2012 on the basis that the information has not materially changed since it was last reported.

The information in this announcement that relates to Ore Reserve estimations for the Iron Valley Deposit is based on information compiled by Mr Alan G. Cooper, who is a member of the Australasian Institute of Mining and Metallurgy. Mr Cooper is a full time employee of Snowden Mining Industry Consultants Pty Ltd. Mr Cooper has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2004 Edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves. Mr Cooper consents to the inclusion in the announcement of the matters based on his information in the form and context in which it appears. It has been not been updated to comply with JORC Code 2012 on the basis that the information has not materially changed since it was last reported.

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