



## SETTLEMENT OF WATPAC LITIGATION

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BC Iron Limited (ASX:BCI) ("BC Iron" or "the Company") wishes to advise that the litigation between BC Iron Nullagine Pty Ltd (as manager of the Nullagine Joint Venture ("NJV")) and Watpac Civil & Mining Pty Ltd ("Watpac") has been settled.

The settlement terms are confidential, but include a final payment by the NJV parties to Watpac.

BC Iron's Chief Executive Officer, Alwyn Vorster, said: *"We are pleased to have settled this matter on acceptable terms and BC Iron can now reposition its focus on progressing the Company's strategic Buckland mine-to-port development project, and potential new business initiatives. BC Iron also continues to reduce NJV holding costs and assess a range of options in relation to the asset."*

- ENDS -

**FOR FURTHER INFORMATION:**

**ALWYN VORSTER**  
**CHIEF EXECUTIVE OFFICER**  
**BC IRON LIMITED**  
**TELEPHONE: +61 8 6311 3400**

**MEDIA ENQUIRIES:**

**DAVID TASKER / TONY DAWE**  
**PROFESSIONAL PUBLIC RELATIONS**  
**TELEPHONE: +61 8 9388 0944**

## ABOUT BC IRON LIMITED

BC Iron is an iron ore mining and development company with assets in the Pilbara region of Western Australia, including Iron Valley, Buckland and the Nullagine Joint Venture (“NJV”). BC Iron is listed on the ASX under the code ‘BCI’.

Iron Valley is a mine located in the Central Pilbara that is operated by Mineral Resources Limited (“MIN”) under an iron ore sale agreement. MIN operates the mine at its cost and purchases Iron Valley product from BC Iron at a price linked to MIN’s realised sale price. MIN is currently evaluating a range of initiatives that have the potential to improve the long term viability of Iron Valley and its value to both parties.

Buckland is a development project located in the West Pilbara region. It has Ore Reserves of 134.3 Mt at 57.6% Fe, a completed and announced feasibility study, its own proposed infrastructure solution comprising a haul road and transshipment port at Cape Preston East, and all primary tenure and licences secured. BC Iron is currently evaluating all options to determine the optimal development and financing path for Buckland.

The NJV is an unincorporated 75:25 joint venture with Fortescue Metals Group Limited (“Fortescue”), which commenced exports in February 2011. The NJV has the capacity to rail and export up to 6Mtpa of ore on Fortescue’s infrastructure. Operations are temporarily suspended due to market conditions.

BC Iron also has an interest in a number of other exploration stage projects in the Pilbara and potential royalties over the Koodaideri South and North Marillana tenements.

## KEY STATISTICS

<b>Shares on issue:</b>	196.2 million	
<b>Cash and cash equivalents:</b>	A\$23.3 million	as at 31 March 2016
<b>Board:</b>	Tony Kiernan	Chairman and Non-Executive Director
	Martin Bryant	Non-Executive Director
	Andy Haslam	Non-Executive Director
	Brian O’Donnell	Non-Executive Director
	Hayley McNamara	Company Secretary
<b>Major shareholders:</b>	Wroxby Pty Ltd	19.0%

Website: [www.bcion.com.au](http://www.bcion.com.au)