

BC IRON TO REPAY TERM LOAN FACILITY

BC Iron Limited (ASX: BCI) ("BC Iron" or the "Company") wishes to advise that it will be repaying the remaining US\$30.8 million outstanding on its secured term loan facility on 29 June 2015.

BC Iron entered into the US\$130 million facility with ANZ and Commonwealth Bank in December 2012 to partially fund the acquisition of an additional 25% of the Nullagine Joint Venture ("NJV") from Fortescue Metals Group Limited.

BC Iron's strategy in relation to this term loan over the past two years has been to prudently repay the facility ahead of schedule to take advantage of the higher iron ore price environment, and US\$33.2 million has been repaid ahead of schedule to date. The final repayment is consistent with this strategy and will result in the facility being fully repaid 18 months ahead of the current repayment schedule. Repayment also reflects the Company's ongoing focus on its cost base by reducing interest and compliance costs as well as releasing the security in place over BC Iron's NJV tenements.

BC Iron Managing Director, Morgan Ball, said: *"Repayment of the debt facility will de-risk and simplify BC Iron's balance sheet, providing a solid platform for the Company to consider any future opportunities that arise. Prudent cash management and ongoing cost reduction success has allowed this repayment to be made comfortably from existing cash reserves. We continue to focus on productivity and cash management at each of our projects to ensure BC Iron is in the strongest possible position."*

Following repayment, BC Iron's only remaining debt is a US\$5 million interest-free and security-free facility with its primary offtake partner, Henghou Industries (Hong Kong) Limited, which is due to be repaid on 31 December 2015. At that point, BC Iron will be debt free. In line with standard reporting, BC Iron will provide details of its cash position in the June 2015 Quarterly Report, which is due to be released on the ASX on 29 July 2015.

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FOR FURTHER INFORMATION:

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ABOUT BC IRON LIMITED

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

The NJV is an unincorporated 75:25 joint venture with Fortescue Metals Group Limited, which commenced exports in February 2011. The NJV utilises Fortescue's infrastructure at Christmas Creek, 50km south of the Nullagine mine, to rail up to 6Mtpa of ore to Port Hedland from where it is shipped directly to customers overseas.

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.

Iron Valley is a mine with Ore Reserves of 134.7 Mt at 58.5% Fe that was developed and is being operated by Mineral Resources Limited under an iron ore sale agreement.

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

KEY STATISTICS

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| Shares on issue: | 196.2 million | |
| Cash and cash equivalents: | A\$107.5 million | as at 31 March 2015 |
| Board: | Tony Kiernan | Chairman and Non-Executive Director |
| | Morgan Ball | Managing Director |
| | Martin Bryant | Non-Executive Director |
| | Andy Haslam | Non-Executive Director |
| | Brian O'Donnell | Non-Executive Director |
| | Anthea Bird | Company Secretary |
| | Hayley McNamara | Company Secretary |
| Major shareholders: | Wroxby Pty Ltd | 19.0% |

Website: www.bcion.com.au