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<th>Title Holder</th>
<th>Woodleigh Nominees Pty Ltd</th>
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<td>Operator</td>
<td>Woodleigh Nominees Pty Ltd/ Territory Iron Pty Ltd</td>
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<tr>
<td>Tenement Manager / Agent</td>
<td>Australian Mining &amp; Exploration Titles Services (AMETS) Darwin office – for Territory Iron Pty Ltd</td>
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<td>Reporting Title</td>
<td>EL25903 Annual Report for the Period 14th November 2012 to 13th November 2013</td>
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<tr>
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<td>Andy Burgess</td>
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<td>Territory Iron Pty Ltd</td>
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<td>Target Commodity</td>
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WOODLEIGH NOMINEES PTY LTD

ABN 92 050 120 057

TERRITORY IRON PTY LIMITED

A.C.N. 125 984 401

EL25903

ANNUAL REPORT FOR THE PERIOD

14th November 2012 to 13th November 2013

Pine Creek SD52-08 1:250,000 Sheet
McKinlay River 5271 1:100,000 Sheet

NORTHERN TERRITORY

Andy Burgess
January 2014
SUMMARY

This report details exploration activity conducted by Woodleigh Nominees Pty Ltd (‘Woodleigh’) and Territory Iron Pty Ltd (‘TIPL’) within tenement EL25903 during the year ending 13th November 2013. During the reporting period, the following work was undertaken:

Woodleigh: One field trip of approximately 450 km was completed to collect additional samples (for gold) from the Misses Mine shaft and surrounds. A day was spent crushing, grinding and gravity concentrating the ore. This exercise gave a recovery of approx. 3.1 g/t Au. The tailings from this exercise were not tested further as 3g/t was to be used as the benchmark grade and anything additional was to be regarded as a bonus. A day was spent researching the use of gravity concentration techniques in various other hardrock operations in Australia and around the world.

Woodleigh Nominees P/L recommends to conduct a drill program in the next reporting period consisting of one drill hole below the level of the ‘Misses Mine’ to test the depth to ~30-40 metres.

TIPL: completed detailed research into the prospectivity of iron and manganese within the Mundogie Sandstone, and undertook a series of reconnaissance traverses through the area in October 2013. The area consists of 90% alluvium/colluvium bounded by Mundogie Sandstone to the West and South East. No iron or manganese mineralisation was identified.

After an internal review of the data and fieldwork, it was recommended to relinquish the iron and manganese exploration rights within EL25903. TIPL officially terminated its Exploration rights to tenement EL25903 (and other tenure held by Woodleigh) on 25th November 2013 and holds no further interest in the tenement.

Total combined expenditure for the tenement during the reporting period was $18,300. Estimated minimum expenditure for the next reporting period is $11,500.
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1. INTRODUCTION

This report details exploration activities for gold and iron ore / manganese mineralisation conducted by Woodleigh Nominees Pty Ltd (Woodleigh) and Territory Iron Pty Ltd (TIPL) within EL25903 for the annual reporting period ending 13 November 2013.

EL25903 is located about 8km by graded station road north-east of the Frances Creek iron ore mining district from which about eight million tonnes was produced during the period 1967 to 1974. The mining district lies 23km north of the township of Pine Creek which is located on the Stuart Highway about 220km south of Darwin. Accesses from Pine Creek is along the sealed Kakadu Highway for 2km and then along the graded Frances Creek road for 23km to the Frances Creek iron ore mine site area (see Figure 1 & Figure 2).

2. TENURE

2.1 Mineral Rights

EL25903 is held by Woodleigh Nominees Pty Ltd and was granted on 14th November 2007 for a period of 6 years. The tenement covers 6.99 km$^2$ or 2 graticular blocks. A renewal was submitted by Woodleigh prior to the anniversary date; the renewal is pending at the time of this report.

Territory Iron Pty Ltd entered into an agreement with Woodleigh Nominees Pty Ltd in April 2012 for tenure adjacent to the Frances Creek Project, which included EL25903. Woodleigh Nominees Pty Ltd agreed to grant TIPL the rights to explore and mine for iron ore and manganese, with Woodleigh retaining all other mineral rights. TIPL terminated its Exploration rights to tenement EL25903 (and other tenure held by Woodleigh) on 25th November 2013, after detailed research and site visits to the tenement indicated that significant mineralisation (iron and manganese) was not present.

2.2 Land Tenure

The tenement includes parts of the following land tenure:

- Ban Ban Springs Pastoral Lease, PPL 1111 – NT Portion 695, owned by Ban Ban Springs Station Pty Ltd, PO Box 7207, St Kilda Road, Melbourne, Vic 8004.

2.3 Aboriginal Sacred Site Clearance & Native Title

Registered native title claims are in place over the pastoral leases:

- DC01/21 (Paddy Huddleston & Ors) – PPL 1111
Figure 1  Location Overview Tenement EL25903
Figure 2: Tenement EL25903
3. DISTRICT GEOLOGY & MINERALISATION

Palaeoproterozoic Mundogie Sandstone sediments of the Mt Partridge Group cover most of the area within EL25903. Conformable sills of pre-orogenic Zamu Dolerite appear to have preferentially intruded pelitic units of the Masson Formation. Cretaceous quartz-pebble conglomeritic sandstone forms remnant plateaus.

These sediments and dolerite sills have been moderately to tightly folded about NW trending axes into a series of synforms-antiforms with vertical dips or steep dips to either side of vertical. On a regional scale, these structures form a synclinorium with a dominant westerly dip within the tenement area.

Regional lower greenschist grade metamorphism accompanied the folding event during a major deformation period between 1870-1810 Ma.

The Masson Formation is considered to be low-mildly prospective for iron ore. The Frances Creek East deposits, which lie directly east of EL25903, occur as conformable ironstone bodies in tightly folded, ferruginous carbonaceous shale and phyllite of the Masson Formation, in close proximity to the Zamu Dolerite. Previous drill testing in this region has indicated minor prospectivity for economic occurrences of iron ore.

The tenement has other settings that appear prospective for a similar style of iron mineralisation as the main Frances Creek mine; however, alluvial cover masks the target Wildman Siltstone Formation. The abundant Mundogie Sandstone does not appear to be prospective for iron ore, but remains largely unexplored for tin, especially in eastern areas adjacent to late granite intrusions associated with the Cullen Batholith.

4. WORK COMPLETED IN 2012-2013

4.1 Woodleigh Nominees Pty Ltd

During the reporting period, Woodleigh carried out the following exploration activities on tenement EL25903:

One field trip of approximately 450 km was completed to collect additional samples (for gold) from the Misses Mine shaft and surrounds. This took up the equivalent of two days.

A day was spent crushing, grinding and gravity concentrating the ore. This exercise gave a recovery of approx. 3.1 g/t Au. The tailings from this exercise were not tested further as 3g/t
was to be used as the benchmark grade and anything additional was to be regarded as a bonus.

A day was spent researching the use of gravity concentration techniques in various other hardrock operations in Australia and around the world.

4.2 Territory Iron Pty Ltd

During the reporting period, TIPL carried out the following exploration activities on tenement EL25903:

TIPL continued its background historical research into the iron and manganese potential within the Mundogie Sandstone. Regional datasets indicate that there is no untested iron / manganese exploration potential in the tenement area. It was concluded that the Mundogie Sandstone is poorly prospective for iron ore.

TIPL completed a series of reconnaissance traverses through the area in October 2013. The area consists of 90% alluvium/colluvium bounded by Mundogie Sandstone to the West and South East. No iron or manganese mineralisation was identified.

After an internal review of the data and fieldwork, it was recommended to relinquish the iron and manganese exploration rights within EL25903. TIPL officially terminated its Exploration rights to tenement EL25903 (and other tenure held by Woodleigh) on 25th November 2013 and holds no further interest in the tenement.

5. EXPENDITURE

The expenditure for the reporting period amounted to $18,300 (Woodleigh $2,650; TIPL $15,650). The covenant for the reporting year was $15,000.
6. CONCLUSIONS & RECOMMENDATIONS

Territory Iron Pty Ltd

TIPL concludes that there is little prospectivity for iron and manganese mineralisation within the tenement. As such, TIPL terminated its exploration rights on 25th November 2013.

Woodleigh Nominees Pty Ltd

The results from work carried out by Woodleigh were encouraging. EL25903 is still considered to hold good potential for a workable alluvial deposit in addition to the possibility of a hard-rock gold resource being located.

Woodleigh Nominees P/L recommends to conduct a drill program in the next reporting period consisting of one drill hole below the level of the ‘Misses Mine’ to test the depth to ~30-40 metres.

Estimated minimum expenditure for this work is $11,500.