

Technical Reporting

Tenure: EL24101

Group Report ID: GR260-12

Title: Annual Report

Report Period: 28/2/ 2016 to 27/2/ 2017

Project Name: Roper Valley Iron Ore Project (previously Roper River Iron Ore Project)

Title Holder: Northern Territory Iron Ore (NTIO) Pty Ltd

Title Operator: Northern Territory Iron Ore (NTIO) Pty Ltd

Personal Author: Anthony Ryall

Report Type: Annual

250K Mapsheet/s: Urapunga (SD53-10)

100K Mapsheet/s: N/A

Geological Province: West Macarthur Basin

Stratigraphic Name: Sherwin Formation

Target Commodity: Iron Ore

Other Commodities: N/A

Purpose for which Titles are held: Iron Ore Exploration.

Title history: EL24101 was granted to North Australian Iron Ore (NAI0) in 2008 for a period of 6 years.

The tenement was acquired by Sherwin Iron in 2010 and was included within GR260 reporting of

The Roper River Iron Ore Project.

Location, physiography and access: EL24101 comprising almost 180 blocks is located approximately 120kms east of Mataranka with the Roper Hwy crossing the northern portion of the tenement at Sherwin Creek.

The tenement is dominated by a series of shallow dipping to flat lying mesas, hosting iron stone exposures at cliff faces and large areas of valley extent. The tenement surrounds ML29584, granted in 2014 and including es much of the Deposit C resource.

Extensions of the Deposit C resource are identified in EL24101 and are planned to be drill tested in 2017.

Geology Setting: The tenement lies within the Meso Proterozoic Macarthur Basin and specifically the Roper Sequence which in the tenement includes Upper, Middle and Lower Ironstone Units of the Sherwin Formation at Area C as well as the Basal Unit at Deposit M. Thus it covers all Sherwin Formation iron oxide stratigraphy of economic interest .

Exploration/Mining History:

Following initial exploration by BHP in the 1950s, Sherwin Iron commenced exploration in 2011 and defined a large iron oxide resource at Deposit C and a small one at Deposit M..

A bulk sample extraction of high grade iron ore from Deposit C within this resource area was trucked to Darwin and shipped to China in 2013 and 2014,

However Sherwin iron was not able to progress this further to full scale mining because it went into voluntary receivership in July 2014.

BHP identified another major exploration target at Mt Scott. Follow up mapping and rock chip sampling by Sherwin suggested strong potential for a large iron ore resource. Limited diamond drilling carried out by Sherwin iron confirmed potential for a large, shallow high grade iron oxide resource.

Exploration Rationale:

NTIO as new owner plans to follow up with RC drilling testing extensions of the Resource at C, both inside the ML and extending into EL24101.

Future RC drilling at Mt Scott is likely to define an initial inferred resource and potentially an area suitable as a starter pit. This drilling is likely deferred to at least 2018.

Work Completed:

In 2015 limited rock chip sampling was conducted at Deposit P and Mt Scott West Mesa. This is included in the 2015 Annual report. It shows that whilst Deposit P does not appear prospective additional exploration is warranted at West Mesa, Mt Scott.

Results: No field work was completed during the current year but an RC drill programme is planned on EL24101 in 2017, testing potential resource extensions to Deposit C in EL24101.

Conclusions/Recommendations:

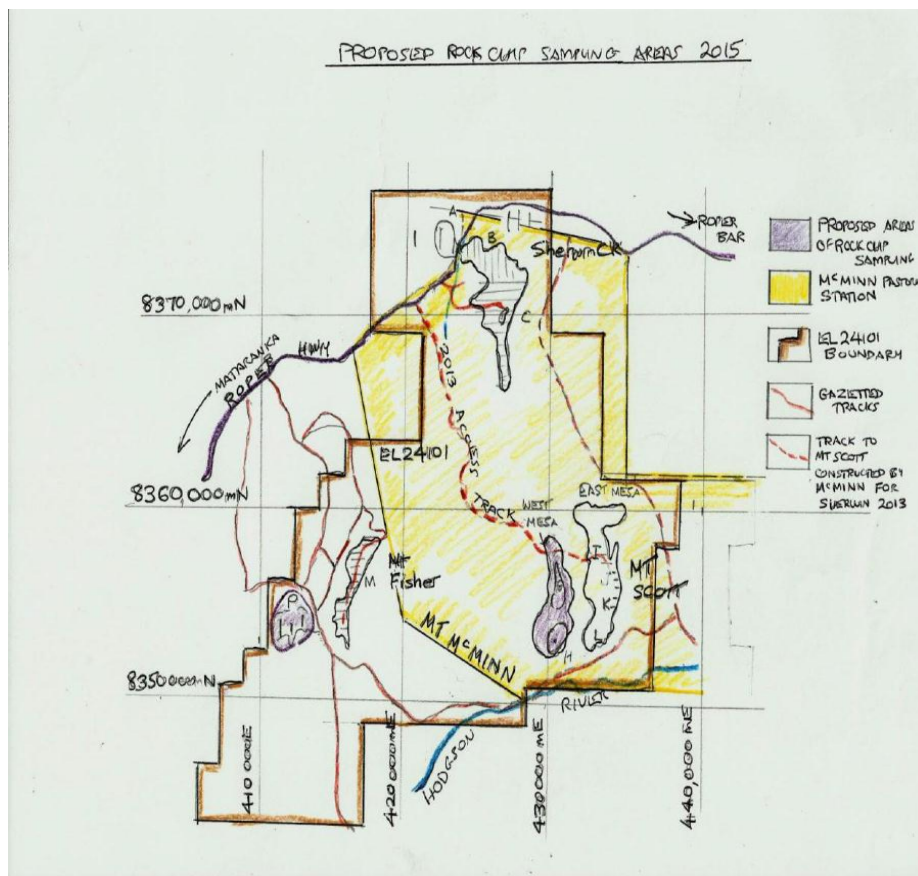
Extensions to Deposit C resource and future drilling at Mt Scott area provide strong likelihood of increased resources on EL24101.

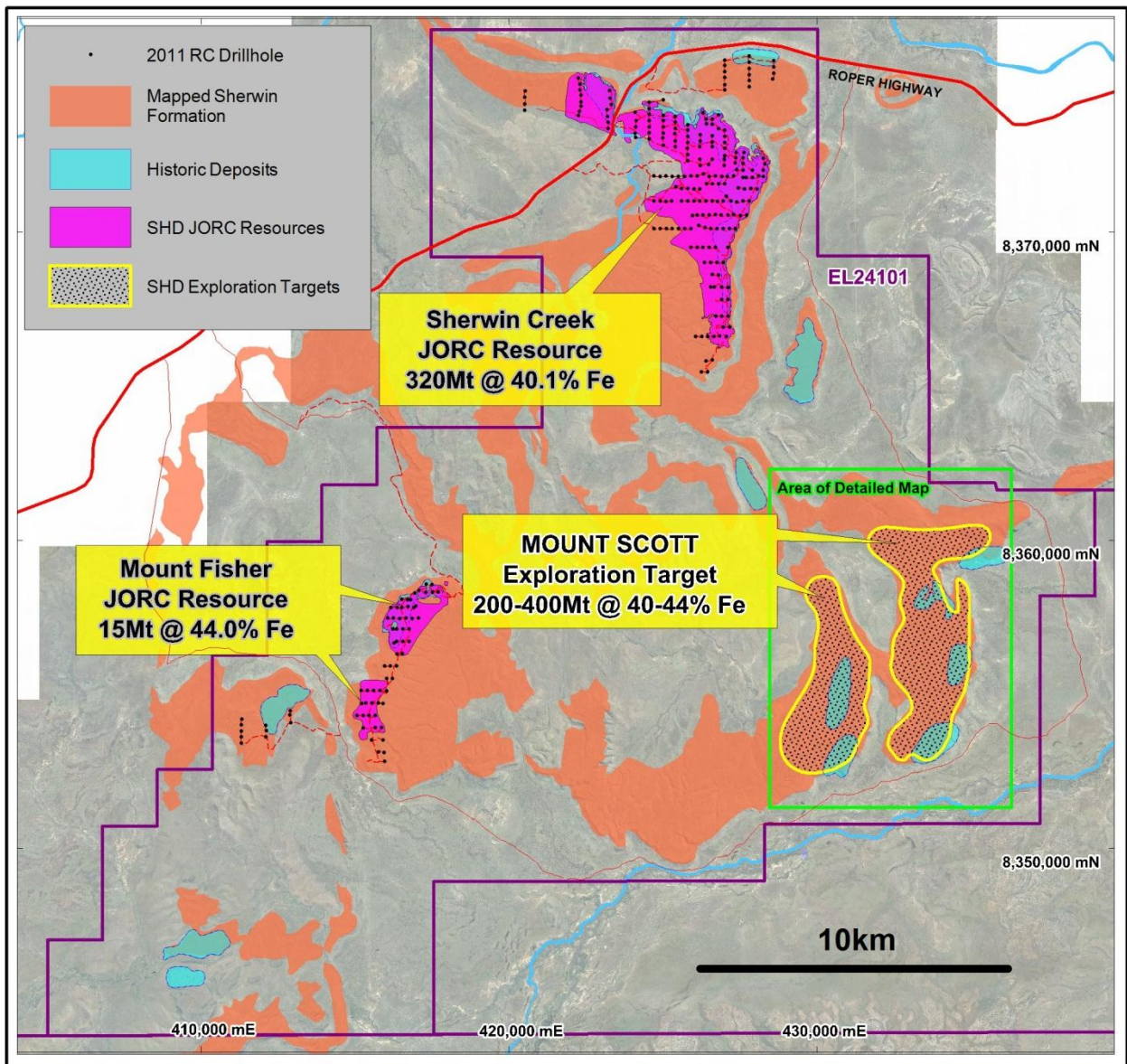
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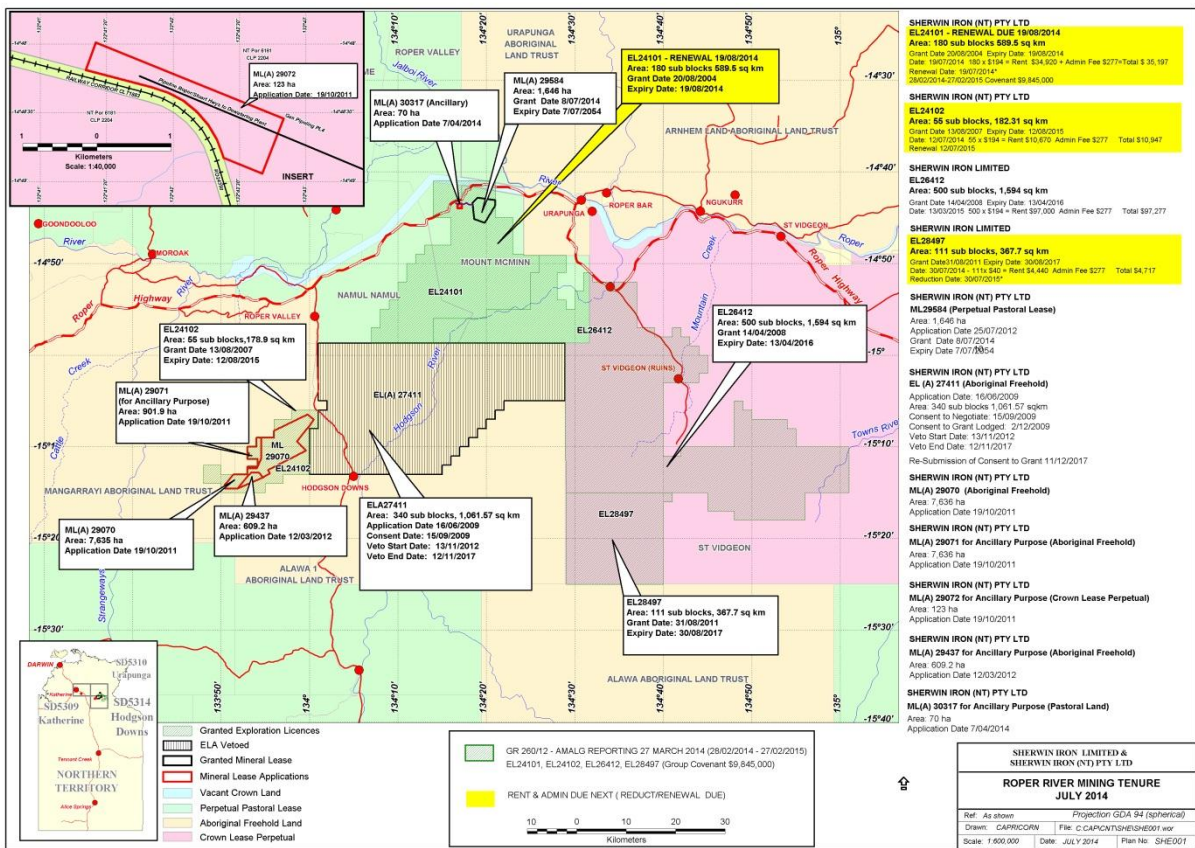
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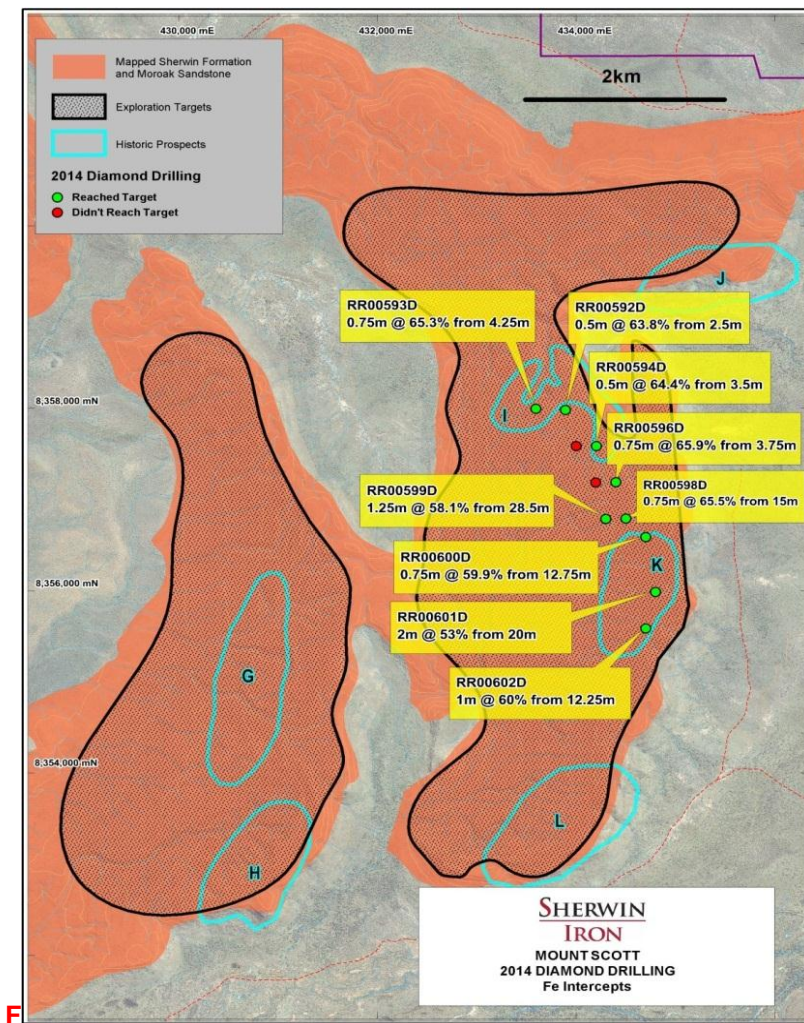
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Figure 1 : Exploration Rock Chip sampling Conducted in 2015 at Deposit P and Mt Scott West Mesa









REFERENCES

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