

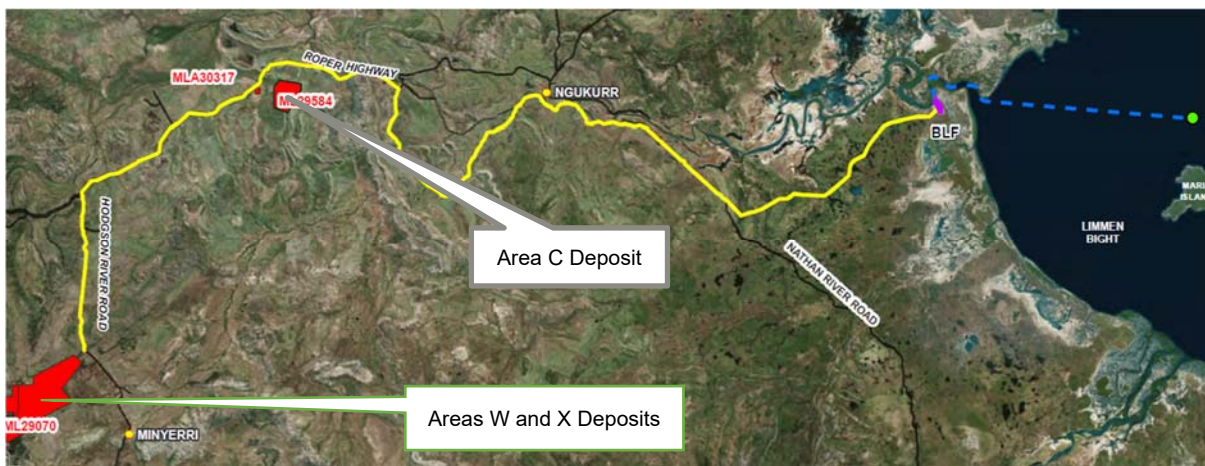
NORTHERN TERRITORY IRON ORE PTY LTD

ABN 59 609 206 706

Project Update No. 1

Northern Territory Iron Ore Pty Ltd (NTIO) is seeking approval to develop the Roper Valley Iron Ore Project (the Project).

Located in the Roper Gulf Region of the Northern Territory, the Project involves the mining, processing and export of saleable iron ore through the use of upgraded public roads to the mouth of the Roper River and a newly established Barge Loading Facility (BLF) about 14km upstream from the mouth of the river. Ore would be barged 40km offshore to a Transhipment Mooring Point in the Gulf of Carpentaria.



Roper Valley Iron Ore Project location.

The previous owners received approval from the NT EPA in May 2014 to mine ore from the Area C deposit and transport it 580km by road for export from Darwin, which proved to be uneconomic. NTIO's intention is to substantially lower Project operating costs by transporting ore 160km by truck to the BLF, on existing public roads, upgraded with bitumen seal. At the BLF, ore will be stockpiled and loaded onto barges for transhipment to bulk carriers anchored offshore.

After acquiring the Project in September 2016, NTIO developed concept plans for the Project covering additional mining areas, processing of low grade, associated infrastructure, and its revised ore transport configuration.

A Notice of Intent outlining these plans, including proposed mining, processing, water supply, product logistics and supporting infrastructure, was submitted to the NTEPA in March 2017., and the EPA finalised the Terms of Reference (ToR) for an Environmental Impact Statement (EIS) in November 2017.

NTIO is in the process of preparing the Project EIS that will address all of the matters raised in the ToR and expects that this will be submitted to the NT EPA in the first half of 2019.

As part of this process, NTIO has commenced community and stakeholder consultations about the Project and in this, the first of regular project updates, NTIO provides an overview of the Project status.

Project Summary:

The indicative timing for the Project development is as follows:

- Second half 2018 to first half 2019 – development of the EIS and Economic and Social Impact Assessment (ESIA).
- Throughout 2019 – finalisation of environmental approvals and early engineering and technical approvals.
- Late 2019 – Project Final Investment Decision.
- Throughout 2020 – Detailed design and construction.
- In 2021 – Commence operations.

Some summary facts about the Project are:

- NTIO expects an initial annual production rate of 1.5 million tonnes per annum (MTPA) with a possible eventual increase to 6.0 MTPA.
- Subject to production rate, the mine life could be in excess of 20 years.
- The Project will require upgrading of public roads: parts of the Hodgson River Road, Roper Highway and the Nathan River Road, a total of some ~160km of dual lane bitumen.
- At a production rate of 1.5MTPA it is expected that this will require between 30 and 40 return road train trips per day between the mine and the BLF and one barge trip per day between the BLF and export vessels at anchor in the Gulf.
- The frequency of truck and barge movements will increase commensurately with the production rates.
- Allowance has been made for wet season interruptions to operations.
- Shallow draft barges will be used and so no dredging will be required.
- The construction workforce is expected to be between 200 – 400 and the operations workforce between 150 and 300, both depending on the production rates achievable.
- NTIO has existing Aboriginal land and native title agreements in place for the mining areas and environmental approvals in place for Mining Area C.

Stakeholder Consultation:

NTIO is committed to being frank and open in all its' communications about the Project.

We are committed to developing strong relationships with traditional owners and other people in the communities in which we work, recognising that we share the responsibility for developing resources in a way that balances economic, ecological and societal needs.

Our community and stakeholder consultations have begun and will continue on a regular basis throughout the Project.

Project Information and Contacts:

As the project is developed, NTIO will provide further Project Updates to all stakeholders via our website: www.ntio.com.au.

The Notice of Intent and other relevant information about the Project is available on the NT EPA's website: [Roper-valley-iron-ore-project NTEPA](#).

The Project contact for community and stakeholder consultation is admin@ntio.com.au.