



NEVADA IRON LIMITED

Financial Services Guide and Independent Expert's Report

25 October 2016

We have concluded that the Proposed Transaction is not Fair, but Reasonable

FINANCIAL SERVICE GUIDE

RSM Corporate Australia Pty Ltd ABN 82 050 508 024 ("RSM Corporate Australia Pty Ltd" or "we" or "us" or "ours" as appropriate) has been engaged to issue general financial product advice in the form of a report to be provided to you.

In the above circumstances we are required to issue to you, as a retail client, a Financial Services Guide ("FSG"). This FSG is designed to help retail clients make a decision as to their use of the general financial product advice and to ensure that we comply with our obligations as financial services licensees.

This FSG includes information about:

- who we are and how we can be contacted;
- the financial services that we will be providing you under our Australian Financial Services Licence, Licence No 255847;
- remuneration that we and/or our staff and any associates receive in connection with the financial services that we will be providing to you;
- any relevant associations or relationships we have; and
- our complaints handling procedures and how you may access them.

Financial services we will provide

For the purposes of our report and this FSG, the financial service we will be providing to you is the provision of general financial product advice in relation to securities.

We provide financial product advice by virtue of an engagement to issue a report in connection with a financial product of another person. Our report will include a description of the circumstances of our engagement and identify the person who has engaged us. You will not have engaged us directly but will be provided with a copy of the report as a retail client because of your connection to the matters in respect of which we have been engaged to report.

Any report we provide is provided on our own behalf as a financial services licensee authorised to provide the financial product advice contained in the report.

General Financial Product Advice

In our report we provide general financial product advice, not personal financial product advice, because it has been prepared without taking into account your personal objectives, financial situation or needs.

You should consider the appropriateness of this general advice having regard to your own objectives, financial situation and needs before you act on the advice. Where the advice relates to the acquisition or possible acquisition of a financial product, you should also obtain a product disclosure statement relating to the product and consider that statement before making any decision about whether to acquire the product.

Benefits that we may receive

We charge various fees for providing different financial services. However, in respect of the financial service being provided to you by us, fees will be agreed, and paid by, the person who engages us to provide the report and such fees will be agreed on either a fixed fee or time cost basis. You will not pay to us any fees for our services; the Company will pay our fees. These fees are disclosed in the Report.

Except for the fees referred to above, neither RSM Corporate Australia Pty Ltd, nor any of its directors, employees or related entities, receive any pecuniary benefit or other benefit, directly or indirectly, for or in connection with the provision of the report.

Remuneration or other benefits received by our employees

All our employees receive a salary.

Referrals

We do not pay commissions or provide any other benefits to any person for referring customers to us in connection with the reports that we are licensed to provide.

Associations and relationships

RSM Corporate Australia Pty Ltd is beneficially owned by the partners of RSM Australia, a large national firm of chartered accountants and business advisers. Our directors are partners of RSM Australia Partners.

From time to time, RSM Corporate Australia Pty Ltd, RSM Australia Partners, RSM Australia and / or RSM Australia related entities may provide professional services, including audit, tax and financial advisory services, to financial product issuers in the ordinary course of its business.

Complaints Resolution

Internal complaints resolution process

As the holder of an Australian Financial Services Licence, we are required to have a system for handling complaints from persons to whom we provide financial product advice. All complaints should be directed to The Complaints Officer, RSM Corporate Australia Pty Ltd, P O Box R1253, Perth, WA, 6844.

When we receive a written complaint we will record the complaint, acknowledge receipt of the complaint within 15 days and investigate the issues raised. As soon as practical, and not more than 45 days after receiving the written complaint, we will advise the complainant in writing of our determination.

Referral to External Dispute Resolution Scheme

A complainant not satisfied with the outcome of the above process, or our determination, has the right to refer the matter to the Financial Ombudsman Service ("FOS"). FOS is an independent company that has been established to provide free advice and assistance to consumers to help in resolving complaints relating to the financial services industry.

Further details about FOS are available at the FOS website or by contacting them directly via the details set out below.

Financial Ombudsman Service
GPO Box 3
Melbourne VIC 3001
Toll Free: 1300 78 08 08
Facsimile: (03) 9613 6399
Email: info@fos.org.au

Contact Details

You may contact us using the details set out at the top of our letterhead on page 5 of this report.

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25 October 2016
The Directors
Nevada Iron Limited
116 Alastair Street
Lota, Queensland 4179

Dear Directors

INDEPENDENT EXPERT'S REPORT ("REPORT")

1. Introduction

1.1 This Independent Expert's Report (the "Report" or "IER") has been prepared to accompany the Notice of General Meeting and Explanatory Statement ("Notice") to be provided to Shareholders for a General Meeting of Nevada Iron Limited ("NVI" or "Nevada Iron" or "the Company") to be held on or around November 2016. At the meeting, Shareholder approval will be sought for (among other things):

- i) The issue of 60,000,000 Post Consolidation Shares to MyHero Limited ("MyHero"), or its nominee ;
 - The issue of shares to MyHero is part of a broader transaction whereby Nevada Iron proposes to acquire 100% of the issued capital of Sportz Hero Pty Ltd ("SportsHero Australia") and 83.33% of SportsHero Enterprise Pte Ltd ("SportsHero Singapore"). SportsHero Australia owns the other 16.67% of SportsHero Singapore, making SportsHero Singapore a 100% subsidiary of SportsHero Australia (collectively "SportsHero") ("Acquisition");
 - As consideration, the Company will issue 60,000,000 Nevada Iron Post Consolidation Shares to MyHero for 83.33% of SportsHero Singapore, making it a 100% subsidiary of SportsHero Australia and 36,000,000 Post Consolidation Shares plus 72,000,000 Post Consolidation Options exercisable at \$0.05 each to wholly acquire SportsHero Australia;
 - As a condition of the Acquisition the Company will prepare a prospectus for the issue of up to 125,000,000 Post Consolidation Shares at an issue price of not less than \$0.02 per Share to raise a minimum of \$2,500,000 plus oversubscriptions of up to a further 50,000,000 Post Consolidation Shares to raise up to a further \$1,000,000 ("Placement");
 - A consolidation of the Company's share capital will be completed on a one for two basis as a condition of the Acquisition, subject to Shareholder approval;
 - Although the issue of Nevada Iron Shares to MyHero (for the acquisition of 83.33% of SportsHero Singapore) is the reason there is a requirement for our Report, in reaching our conclusion, we have also considered the issue of Nevada Iron Shares in consideration for the acquisition of

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RSM Corporate Australia Pty Ltd is beneficially owned by the Directors of RSM Australia Pty Ltd. RSM Australia Pty Ltd is a member of the RSM network and trades as RSM. RSM is the trading name used by the members of the RSM network. Each member of the RSM network is an independent accounting and consulting firm which practices in its own right. The RSM network is not itself a separate legal entity in any jurisdiction.

RSM Corporate Australia Pty Ltd ABN 82 050 508 024 Australian Financial Services Licence No. 255847

SportsHero Australia because the SportsHero Singapore acquisition cannot occur without the acquisition of SportsHero Australia occurring;

- ii) The sale of the Company's 100% interest in the Buena Vista Iron Project and related property in Nevada, USA (collectively the "BVI Project" or the "Buena Vista Iron Project");
 - The sale of the BVI Project will be made through the sale of 100% of Nevada Iron's wholly owned subsidiary, Nevada Iron Holdings Pty Ltd ("NIH") to New Nevada, LLC and Rhodes Investment Ltd.
 - The consideration for the BVI Project is the assumption of debt held by NIH's US subsidiaries which total not less than A\$800,000, the assumption of approximately A\$227,500 in liabilities owed to Mick McMullen (and/or his associated entities) and a cash payment of A\$100,000 at settlement (together the "Initial Consideration"), plus additional deferred payments of collectively US\$750,000 upon certain production milestones being achieved by the BVI Project ("Deferred Consideration");

Together, the Acquisition and the sale of the BVI Project are hereafter referred to as the Proposed Transaction ("Proposed Transaction").

- 1.2 The Directors of the Company have requested that RSM Corporate Australia Pty Ltd ("RSM"), being independent and qualified for the purpose, express an opinion as to whether the Proposed Transaction is fair and reasonable to Shareholders not associated with the Proposed Transaction ("Non-Associated Shareholders").
- 1.3 The request for approval of the Acquisition is included in Resolution 4A in the Notice. The request for approval of the issuing of Consideration in relation to the Acquisition is included in Resolution 4B in the Notice. The request for approval of the issuing of Consideration to MyHero, and the reason there is a requirement for our Report under s611 of the Act, is included in Resolution 4C in the Notice. Resolutions 4A, 4B and 4C are interdependent and each are subject to the passing of Resolutions 1A and 1b.
- 1.4 The request for approval for the sale of the BVI Project is included in Resolution 1A in the Notice. The Request for approval for the financial benefit arising from the sale of the BVI Project is include in Resolution 1B in the Notice. Resolutions 1A and 1B, which are the reason there is a requirement for our Report under ASX Listing Rule 10.1, are interdependent and each are subject to the approval of Resolutions 4A, 4B and 4C. As the sale of the BVI Project cannot proceed without the Acquisition occurring and vice versa, we have considered and assessed both the Acquisition and the sale of the BVI Project in our assessment of the Proposed Transaction.
- 1.5 We have restated these and other essential resolutions ("Essential Resolutions") in Appendix D.
- 1.6 The ultimate decision whether to approve the Proposed Transaction should be based on each Shareholder's assessment of their circumstances, including their risk profile, liquidity preference, tax position and expectations as to value and future market conditions. If in doubt as to the action they should take with regard to the Proposed Transaction, or the matters dealt with in this Report, Shareholders should seek independent professional advice.

2. Summary and Conclusion

Opinion

- 2.1 In our opinion, and for the reasons set out in Sections 10 and 11 of this Report, the Proposed Transaction is not fair but reasonable to the Non-Associated Shareholders of Nevada Iron.

Approach

- 2.2 In assessing whether the Proposed Transaction is fair and reasonable to the Non-Associated Shareholders, we have considered Australian Securities and Investment Commission (“ASIC”) Regulatory Guide 111 – *Content of Expert Reports* (“RG 111”), which provides specific guidance as to how an expert is to appraise transactions.
- 2.3 Where an issue of shares by a company which is otherwise prohibited under section 606 of the Act is approved under item 7 of Section 611, and the effect on the company shareholding is comparable to a takeover bid, such as the Proposed Transaction, RG 111 states that the transaction should be analysed as if it was a takeover bid.
- 2.4 Furthermore, ASX Listing Rule 10.1 states that an entity must ensure that neither it, nor any of its child entities, acquires a substantial asset from, or disposes of a substantial asset to a related party of substantial Shareholder or any of its associates without the approval of holders of the entity’s ordinary securities.
- 2.5 A substantial holder is a shareholder that holds at least 10% of the issued capital of a company. A related party could be a director of the Company or a former director from any time within the previous 6 months. Mr McMullen is a Director of the Company and a substantial holder with 5,710,000 Shares and Mr Rushing resigned as a Director of the Company on 21 June 2016 and is a substantial holder with 6,960,304 Shares. Therefore, for the purpose of the ASX Listing Rules, Mr McMullen and Mr Rushing are both related parties and substantial holders of the Company.
- 2.6 An asset is considered substantial “if its value; or the value of the consideration for it is, or in the ASX’s opinion is, 5% or more of the equity interests of the entity as set out in the latest accounts given to the ASX”.
- 2.7 Therefore, we have considered whether or not the Proposed Transaction is “fair” to the Non-Associated Shareholders by assessing and comparing:
- The Fair Value of a Share in Nevada Iron on a control basis pre the Proposed Transaction; with
 - The Fair Value of a Share in Nevada Iron on a non-control basis immediately post completion of the Proposed Transaction,

and, considered whether the Proposed Transaction is “reasonable” to the Non-Associated Shareholders by undertaking an analysis of the other factors relating to the Proposed Transaction which are likely to be relevant to the Non-Associated Shareholders in their decision of whether or not to approve the Proposed Transaction.

- 2.8 Further information of the approach we have employed in assessing whether the Proposed Transaction is “fair and reasonable” is set out at Sections 10 and 11 of this Report.

Fairness

- 2.9 Our assessed values of a Nevada Iron Share prior to and immediately after the Proposed Transaction are summarised in the table and figure below.

Table 1 Assessed values of an NVI Share pre and post the Proposed Transaction

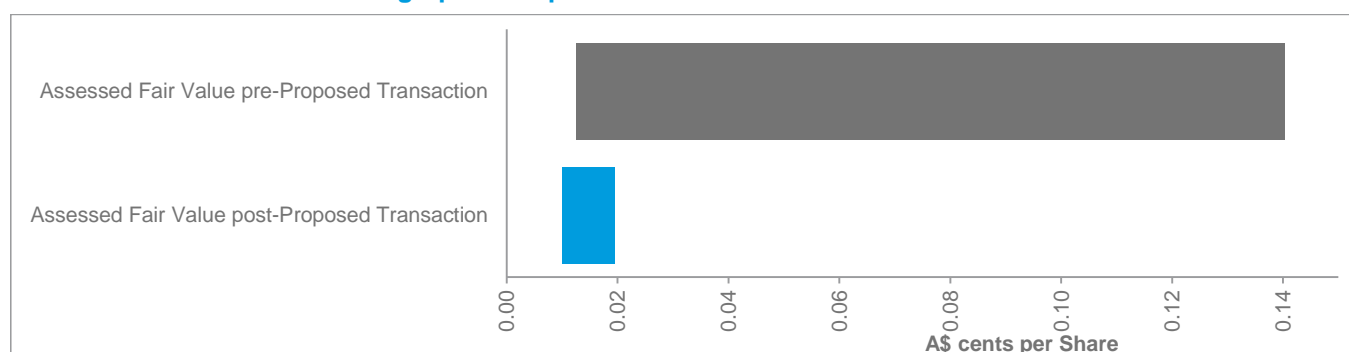
| Assessment of fairness \$ million | Ref | Value | |
|---|------|---------|---------|
| | | Low | High |
| Assessed Fair Value pre-Proposed Transaction | 8.20 | \$0.013 | \$0.140 |
| Assessed Fair Value post-Proposed Transaction | 9.2 | \$0.010 | \$0.019 |

Source: RSM analysis

2.10 The large range in assessed values prior to the Proposed Transaction is indicative of an early-stage exploration Company, with the high value capturing the upside potential in the BVI Project as assessed by the Independent Specialist. We note that the Independent Specialist's preferred value of US\$1.7 million for the BVI Project is at the lower end of the range. Accordingly, our preferred value of a Nevada Iron Share prior to the Proposed Transaction of \$0.034 on a controlling, Post Consolidation and undiluted basis is at the lower end of the range of assessed values.

2.11 We have summarised the values included in the table above in the chart below.

Table 2 NVI Share valuation – graphical representation



Source: RSM analysis

2.12 In accordance with the guidance set out in ASIC RG 111, and in the absence of any other relevant information, for the purposes of Section 611, Item 7 of the Corporations Act 2001, we consider the Proposed Transaction on balance to be not fair to the Non-Associated Shareholders of Nevada Iron as the value of a Nevada Iron Share post the Proposed Transaction on a non-control basis is below the range of the value of a Nevada Iron Share pre the Proposed Transaction on a control basis.

Reasonableness

2.13 RG 111 establishes that where an offer is not fair, it might be reasonable if, despite not being fair, there are sufficient reasons for security holders to accept the offer in the absence of any higher bid before the offer closes. As such, we have also considered the following factors in relation to the reasonableness aspects of the Proposed Transaction:

- The future prospects of the Company if the Proposed Transaction does not proceed; and
- Any other commercial advantages and disadvantages to the Non-Associated Shareholders as a consequence of the Proposed Transaction proceeding.

2.14 If the Proposed Transaction does not proceed then the Nevada Iron Board will continue looking for alternative assets and for a new buyer to dispose of the BVI Project. In addition, the Company will likely need to seek alternate funding to meet its short-term working capital requirements and to fund the minimum \$150,000 per annum payments required to maintain the BVI Project in good standing until the BVI Project is disposed of.

2.15 The key advantages of the Proposed Transaction are:

- Given the Company's principal assets are classified as held for sale and has previously stated its intention to seek alternative investment opportunities, Nevada Iron could be considered a shell company. The Proposed Transaction will provide the Company with necessary funding to improve its balance sheet and continue to operate as a going concern;
- The Proposed Transaction will provide the Company with exposure to a new industry with growth potential and Shareholders will have the ability to gain exposure to future opportunities that the fantasy sports industry offers;
- The Company will reduce its creditors, eliminate the future costs of \$150,000 per annum relating to the BVI Project and have sufficient working capital to continue operations in the short term;
- Potential for up to US\$750,000 in deferred payments should the BVI Project be developed;
- The Company will receive additional working capital from the Placement to develop the SportsHero technology;
- The Acquisition may encourage new investors in the Company which may lead to increased liquidity and greater trading depth than currently experienced by Shareholders; and
- New Directors will add relevant experience, skills and networks to the Company;

2.16 The key disadvantages of the Proposed Transaction are:

- The business of SportsHero may not suit the investment criteria of all Shareholders;
- Sportshero is an early-stage, start-up business with no operating cash flows and may require additional funding in the future;
- Shareholders will be diluted and their voting interest in the Company reduced to a minimum of 14.6% (13.0% fully diluted);
- MyHero will obtain significant influence of Nevada Iron through an interest of at least 29.0% (21.1% fully diluted) of the issued capital of Nevada Iron assuming the Placement is completed at 5c per Share;
- Foregoing any future benefit of the BVI Project going into production in excess of the US\$ 750,000 Deferred Consideration; and
- The new risk profile presented by SportsHero and the smartphone technology industry may not suit all Shareholders.

2.17 We are not aware of any alternative proposals which may provide a greater benefit to the Non-Associated Shareholders of Nevada Iron at this time and which would provide the Company with sufficient capital to continue operating as a going concern.

2.18 In our opinion, the position of the Non-Associated Shareholders of Nevada Iron if the Proposed Transaction is approved is more advantageous than if the Proposed Transaction is not approved. Therefore, in the absence of any other relevant information and/or a superior offer, we consider that the Proposed Transaction is **reasonable** for the Non-Associated Shareholders of Nevada Iron.

3. Summary of the Proposed Transaction

Overview

- 3.1 Nevada Iron has entered into a share purchase agreement for the acquisition of 100% of the issued capital of SportsHero Australia ("SPA Agreement"). SportsHero Australia, which owns 16.67% of SportsHero Singapore, has entered to a share sale agreement to acquire the remaining 83.33% of SportsHero Singapore that it does not already own from MyHero ("SSA Agreement").
- 3.2 The completion of the SPA Agreement is inter-dependent, and conditional, on the completion of the SSA Agreement. As such, by purchasing SportsHero Australia, Nevada Iron will be purchasing 100% of the issued capital of SportsHero Singapore (together the "Acquisition").
- 3.3 Consideration for the Acquisition will comprise the following:
 - Nevada Iron will acquire 100% of SportsHero Australia through the issue of 36,000,000 Post Consolidation Shares and 72,000,000 Post Consolidation Options exercisable at \$0.05 each; and
 - SportsHero Australia will acquire 83.33% of SportsHero Singapore through the issue of 60,000,000 Nevada Iron Post Consolidation Shares to MyHero, making SportsHero Singapore a 100% owned subsidiary of SportsHero Australia.
- 3.4 As part of the Acquisition, Nevada Iron agreed to the sale of the BVI Project to associates of related parties to the Company.
- 3.5 Consideration for the BVI Project comprises an initial assumption of liabilities a cash settlement, plus deferred cash consideration for the purchase of all outstanding shares in NIH as follows:

Initial Consideration

- Assumption of all creditors in NIH's wholly owned US subsidiaries of at least A\$800,000;
- Assumption of liabilities owed to Mick McMullen (and/or related entities) of approximately A\$227,500; and
- A cash payment of A\$100,000 at settlement.

Deferred Consideration

- Additional cash payments of US\$250,000 on commencement of iron ore production at 1Mtpa or greater from the existing BVI Project claims;
- Additional cash payments of US\$250,000 on the first anniversary of the first production milestone payment, subject to production having been continuous during the period between the first and second production milestone payments; and
- Additional cash payment of US\$250,000 on the second anniversary of the first production milestone payment, subject to production having been continuous during the period between the first and third production milestone payments.

Together, the Acquisition and the sale of the BVI Project are hereafter referred to as the Proposed Transaction ("Proposed Transaction").

- 3.6 As the sale of the BVI Project cannot proceed without the Acquisition occurring, we have considered and assessed both the Acquisition and the sale of the BVI Project together in our assessment of the Proposed Transaction.

Share Consolidation and Capital Raising

3.7 Subject to Shareholder approval, the Company plans to conduct:

- A consolidation of the Company's issued capital on the basis of one (1) Share for every two (2) Shares held ("Consolidation"); and
- A capital raising to raise a minimum of \$2,500,000 plus oversubscriptions of up to \$1,000,000 ("Placement"). The Prospectus will be completed at an issue price of between \$0.02 per Share and \$0.05 per Share, for the issue of between 50,000,000 and 175,000,000 Post Consolidation Shares.

Key conditions of the Proposed Transaction

3.8 Completion of the Proposed Transaction is subject to and conditional upon a number of conditions precedent, including:

- Nevada Iron obtaining all Shareholder approvals and regulatory approvals necessary to enable the sale of the BVI Project and Acquisition to be completed, including approval of the Consolidation, the Placement and the change to the nature and scale of the Company's activities resulting from the Proposed Transaction.

Rationale for the Proposed Transaction

3.9 Investor appetite for mineral development assets has declined over the last three years amidst falling commodity prices, in particular iron ore. The Acquisition of SportsHero could provide investors with potentially greater returns whereas the BVI Project remains sub-economic at the present time.

Impact of the Proposed Transaction on Nevada Iron's Capital Structure

3.10 The table below sets out a summary of the capital structure of Nevada Iron prior to and post the Proposed Transaction.

Table 3 Share structure of Nevada Iron pre and post the Proposed Transaction

| Prior to Proposed Transaction | | | Post Proposed Transaction | | | |
|--|-------------------|-------------|---------------------------|-------------|------------------------|-------------|
| | | | Minimum ⁽¹⁾ | | Maximum ⁽²⁾ | |
| Shares on issue: | | | | | | |
| Non-associated NVI Shareholders | 79,653,096 | n/a | 79,653,096 | n/a | 79,653,096 | n/a |
| Convertible Notes ⁽³⁾ | 16,950,000 | n/a | 16,950,000 | n/a | 16,950,000 | n/a |
| Share Consolidation (1:2) | (48,301,548) | n/a | (48,301,548) | n/a | (48,301,548) | n/a |
| Post Consolidation issued Shares | 48,301,548 | 100% | 48,301,548 | 23% | 48,301,548 | 15% |
| MyHero | - | 0% | 60,000,000 | 29.0% | 60,000,000 | 18.1% |
| Other SportsHero shareholders | - | 0% | 36,000,000 | 17.4% | 36,000,000 | 10.8% |
| Advisor Shares ⁽⁴⁾ | - | 0% | 12,500,000 | 6.0% | 12,500,000 | 3.8% |
| Placement ⁽¹⁾⁽²⁾ | - | 0% | 50,000,000 | 24.2% | 175,000,000 | 52.7% |
| Total Shares on issue | 48,301,548 | 100% | 206,801,548 | 100% | 331,801,548 | 100% |
| Options: | | | | | | |
| Post Consolidation Non-Associated Option holders | 4,907,941 | 100% | 4,907,941 | 6.4% | 4,907,941 | 6.4% |
| Other SportsHero Option holders | - | 0% | 72,000,000 | 93.6% | 72,000,000 | 93.6% |
| Total Options on issue | 4,907,941 | 100% | 76,907,941 | 100% | 76,907,941 | 100% |
| Fully diluted position: | | | | | | |
| Existing Share/Option holders | 53,209,489 | 100% | 53,209,489 | 18.8% | 53,209,489 | 13.0% |
| MyHero | - | 0% | 60,000,000 | 21.1% | 60,000,000 | 14.7% |
| Other SportsHero shareholders | - | 0% | 108,000,000 | 38.1% | 108,000,000 | 26.4% |
| Other new Shareholders | - | 0% | 62,500,000 | 22.0% | 187,500,000 | 45.9% |
| Total diluted Shares on issue | 53,209,489 | 100% | 283,709,489 | 100% | 408,709,489 | 100% |

Source: RSM analysis

1. The minimum Placement comprises the issue of 50,000,000 Post Consolidation Shares at \$0.05 each to raise a minimum of \$2,500,000, before costs.
2. The maximum Placement comprises the issue of 175,000,000 Post Consolidation Shares at \$0.02 each to raise a minimum of \$3,500,000 including \$1,000,000 oversubscriptions, before costs.
3. On 22 July 2016 the Company issued 16,950,000 Convertible Notes ("Convertible Notes") at an issue price of \$0.01 each to raise \$169,500. The Company is seeking Shareholder approval for the issue and allotment of 16,950,000 pre Consolidation Shares (or 8,475,000 Post Consolidation Shares) in order to convert the Convertible Notes into Shares in the Company. As the Convertible Notes are not subject to the approval of the Proposed Transaction, we have included their impact both pre and post the Proposed Transaction.
4. Advisor Shares will be issued subject to Shareholder approval if the Proposed Transaction proceeds. If the advisor Shares are not approved and the Proposed Transaction proceeds, our calculated minority value per Share will be materially unchanged.

4. Scope of the Report

Corporations Act

- 4.1 Section 606 of the Act prohibits a person from acquiring a relevant interest in the issued voting shares of a public company if the acquisition results in that person's voting interest in the company increasing from a starting point that is below 20% to an interest that is above 20%.
- 4.2 Completion of the Proposed Transaction will result in MyHero (or its nominees) acquiring a minimum interest of 18.1% (14.7% fully diluted) in the issued capital of Nevada Iron, diluted for the maximum Shares issued under the Placement at the minimum issue price of \$0.02 per Share. This interest increases to 29.0% (21.1% fully diluted) if the Placement is for the minimum number of Shares at the higher issue price of \$0.05 per Share.
- 4.3 Under Item 7 of Section 611 of the Act, the prohibition contained in Section 606 does not apply if the acquisition has been approved by the Non-Associated Shareholders of the company.
- 4.4 Accordingly, the Company is seeking approval from the Non-Associated Shareholders for Resolution 4C under Item 7 of Section 611 of the Act for the possibility of MyHero acquiring an interest of greater than 20% in Nevada Iron, which is contingent on the level at which the Placement is completed.
- 4.5 Section 611(7) of the Act states that shareholders must be given all information that is material to the decision on how to vote at the meeting. ASIC Regulatory Guide 111 ("RG 111") advises the requirement to commission an independent expert's report in such circumstances and provides guidance on the content.

ASX Listing Rules

- 4.6 ASX Listing Rule 10.1 states that an entity must ensure that neither it, nor any of its child entities, acquires a substantial asset from, or disposes of a substantial asset to, a substantial shareholder, a related party or any of its associates without the approval of holders of the entity's ordinary securities.
- 4.7 A substantial holder is a shareholder that holds at least 10% of the issued capital of a company. A related party could be a director of the company at any time within the previous 6 months. The acquiring parties include:
 - Rhodes Investment Limited, of which Mr Mick McMullen, a Director of Nevada Iron, is President; and
 - New Nevada Resources LLC, of which Mr Heath Rushing, a former Director of Nevada Iron who resigned on 21 June 2016, is a Managing Member.
- 4.8 Therefore, for the purposes of the ASX Listing Rules, Mr McMullen (and Rhodes Investment Limited) and Mr Rushing (and New Nevada Resources LLC) are related parties of the Company. Both Mr McMullen and Mr Rushing are also substantial Shareholders of the Company.
- 4.9 An asset is considered substantial "if its value; or the value of the consideration for it is, or in the ASX's opinion is 5% or more of the equity interest of the entity as set out in the latest financial statements given to the ASX".
- 4.10 The equity interest of Nevada Iron as at 30 June 2016 was negative. As such the value of the BVI Project will exceed 5% of the value of equity.
- 4.11 ASX Listing Rule 10.10 states that the notice for the shareholders' meeting required under ASX Listing Rule 10.1 must include a report on the transaction from an independent expert. The report must state whether, in the expert's opinion, the transaction is fair and reasonable to the Non-Associated Shareholders.

- 4.12 The sale of the BVI Project is conditional on the Acquisition being completed. We have, therefore, considered whether the Sale of BVI Project and the Acquisition is in our opinion fair and reasonable to Non-Associated Shareholders.

Basis of Evaluation

- 4.13 In determining whether the Proposed Transaction is “fair and reasonable” we have given regard to the views expressed by the ASIC in RG 111.
- 4.14 RG 111 provides ASIC’s views on how an expert can help security holders make informed decisions about transactions. Specifically it gives guidance to experts on how to evaluate whether or not a proposed transaction is fair and reasonable.
- 4.15 RG 111 states that the expert’s report should focus on:
- the issues facing the security holders for whom the report is being prepared; and
 - the substance of the transaction rather than the legal mechanism used to achieve it.
- 4.16 Given the interdependency of the Acquisition and the sale of the BVI Project, we have considered the impact on the Non-Associated Shareholders of the Proposed Transaction.
- 4.17 RG 111 states that the expert’s assessment of fair and reasonable should not be applied on a composite test – that is, there should be a separate assessment of whether the transaction is “fair and reasonable”.

5. Profile of Nevada Iron

Background

- 5.1 Nevada Iron Limited has previously disclosed its intention to source alternative investment opportunities to add value for Shareholders. As such, Nevada Iron could be considered a shell company. Historically Nevada Iron has explored for mineral property in the United States.
- 5.2 Its core asset is the 100% owned Buena Vista Iron Project (“BVI Project”) located in Nevada, the United States. The BVI Project is located approximately 40 kilometres from the Union Pacific rail line that connects to port facilities at Sacramento, Stockton, Richmond and San Francisco. The BVI Project is presently deemed to be uneconomical in the low commodity price environment.
- 5.3 At 30 June 2016, the BVI Project is classified as held for sale in the audited financial statements of Nevada Iron.
- 5.4 Through its subsidiaries, Nevada Iron Holdings Pty Ltd (“NIH”), a 100% owned subsidiary of Nevada Iron, owns 100% of the BVI Project and the vendor (Kircher Mine Development LLC) retains a 20% beneficial and net profits interest.
- 5.5 Nevada Iron was formerly known as Richmond Mining Limited and changed its name to Nevada Iron Limited in March 2012. Nevada Iron is headquartered in Brisbane, Queensland, Australia.

Directors and management

- 5.6 The Directors and key management of Nevada Iron are summarised in the table below.

Table 4 Nevada Iron Directors

| Name | Title | Experience |
|----------------------|--------------------------------|---|
| Mr Michael McMullen | Executive Chairman | Mr McMullen is a geologist with a BSc (Geology) from the University of Newcastle, Australia and has in excess of 20 years' experience in exploration, financing, development and operation of mining projects. He was the Managing Director and a co-founder of Northern Iron (ASX: NFE), an ASX listed iron ore mining company with assets in Norway. Mr McMullen is also the President and CEO of Stillwater Mining Company, a New York Stock Exchange listed company with operating PGM mines in Montana and a market capitalisation of approximately \$1.7 billion. |
| Mr Michael Higginson | Director and Company Secretary | Mr Higginson is the holder of a Bachelor of Business Degree with majors in both Finance and Administration. Mr Higginson was appointed as Company Secretary on 12 June 2009. Mr Higginson was formerly an executive officer with the Australian Securities Exchange and has, over the last 26 years, held numerous company secretarial and directorship roles with a range of public listed companies, both in Australia and the UK. |
| Mr Christopher Green | Director | Mr. Green has been working in the mining and IT industries for 40 years, in the areas of exploration and mining as a geologist, and in the areas of software development as a programmer, technical analyst, IT Manager and as a Manager of Innovation. |

Source: Company Reports

Financial Performance

5.7 The following table sets out a summary of the financial performance of Nevada Iron for the years' ended 30 June 2015 and 2016.

Table 5 Nevada Iron Historical Financial Performance

| A\$ | Ref | 30-Jun-16 Audited | 30-Jun-15 Audited |
|---|------------|----------------------|----------------------|
| Other revenue | 5.9 | 293,920 | 618 |
| Employees and consultant expense | | (588,486) | (764,289) |
| Corporate and legal fees | | (89,588) | (157,539) |
| Administrative expenses | | (64,646) | (48,433) |
| Depreciation and amortisation expense | | (1,160) | (2,408) |
| Occupancy expenses | | (29,169) | (21,043) |
| Foreign exchange gain | | (6,480) | 104,428 |
| Loss before income tax | | (485,609) | (888,666) |
| Income tax expense | | - | - |
| Loss after income tax expense from continuing operations | | (485,609) | (888,666) |
| Loss after income tax expense from discontinued operations | 5.10 | (7,710,828) | (28,781,030) |
| Loss after income tax expense for the year | 5.8 | (8,196,437) | (29,669,696) |

Source: Company Financials

- 5.8 The statement of financial performance reflects Nevada Iron's status as a mineral exploration company with no operating revenue and costs predominantly comprising of employee expenses and exploration related expenditure.
- 5.9 Other revenue primarily represents foreign exchange gains made on a debt to equity issue completed in October 2015.
- 5.10 Losses from discontinued operations relate to the planned disposal of the BVI Project in accordance with the Proposed Transaction. The associated assets and liabilities are presented as held for sale at 30 June 2016.

Financial Position

5.11 The table below sets out a summary of the financial position of Nevada Iron as at 30 June 2015 and 2016.

Figure 1 Nevada Iron Historical Financial Position

| A\$ | Ref | 30-Jun-16 Audited | 30-Jun-15 Audited |
|--|-------------|----------------------|----------------------|
| ASSETS | | | |
| Cash and cash equivalents | 5.12 | 245,673 | 151,867 |
| Trade and other receivables | | 3,449 | 42,286 |
| Assets classified as held for sale | 5.14 | 1,040,154 | - |
| Total current assets | | 1,289,276 | 194,153 |
| Property, plant and equipment | | - | 1,004,529 |
| Intangible asset | | - | 722,753 |
| Exploration and evaluation expenditure | 5.14 | - | 5,783,467 |
| Total non-current assets | | - | 7,510,749 |
| Total assets | | 1,289,276 | 7,704,902 |
| LIABILITIES | | | |
| Trade and other payables | 5.13 | 647,645 | 1,753,025 |
| Employee provisions | | - | 5,112 |
| Liabilities associated with assets held for sale | | 809,397 | - |
| Total current liabilities | | 1,457,042 | 1,758,137 |
| Total liabilities | | 1,457,042 | 1,758,137 |
| Net Assets | 5.12 | (167,766) | 5,946,765 |
| EQUITY | | | |
| Contributed equity | | 37,525,429 | 35,873,757 |
| Share based payments reserve | | 242,085 | 1,903,227 |
| Foreign currency translation reserve | | 6,270,086 | 5,908,553 |
| Accumulated losses | | (44,205,366) | (37,738,772) |
| Total equity | | (167,766) | 5,946,765 |

Source: Company Financials

- 5.12 As at 30 June 2016 Nevada Iron reported a net liability position of \$0.2 million with \$0.2 million in cash on hand and a net working capital deficit of over \$0.2 million.
- 5.13 The net liability position is primarily driven by trade and other payables of \$0.6 million, which comprised of \$0.1 million trade payables, \$0.3 million amounts due in relation to a share issue and \$0.2 million other accrued expenses.
- 5.14 Assets held for sale represents the BVI Project which has been reclassified from exploration and evaluation expenditure since 30 June 2015. An independent specialist has been engaged to determine the Fair Value of the BVI Project. The results of this valuation have been adopted in our assessment of the BVI Project in section 8.

Capital Structure

5.15 Nevada Iron has 79,653,096 Shares on issue. The top 20 Shareholders of Nevada Iron as at 5 September 2016 are set out below.

Table 6 Nevada Iron Top 20 Shareholders

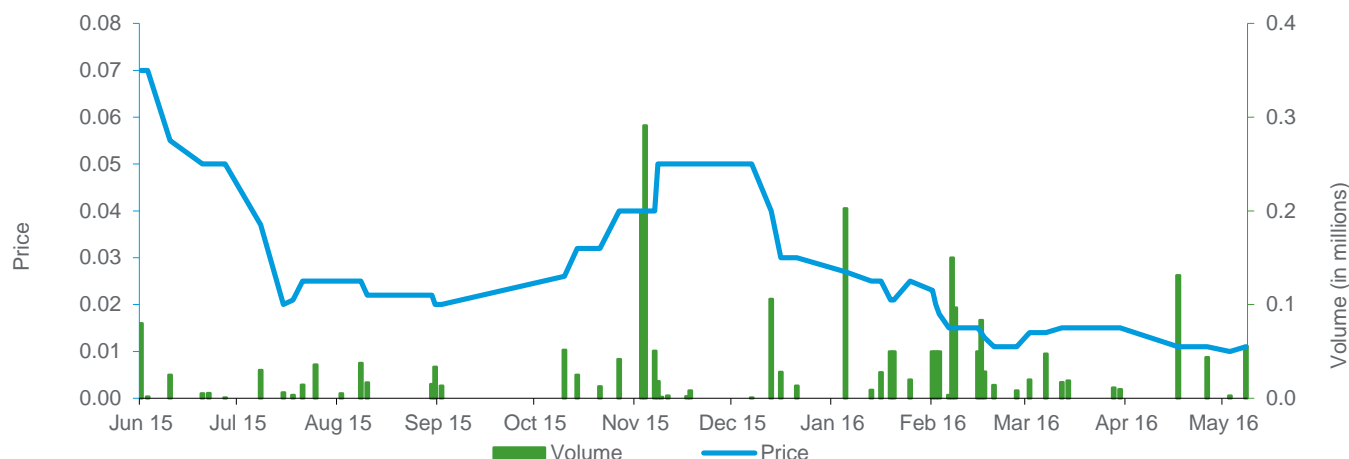
| Rank | Name | Total Units | % Issued Share Capital |
|----------------------------------|-------------------------------|-------------------|------------------------|
| 1 | Mr Ashwath Mehra | 7,771,019 | 9.76% |
| 2 | Citicorp Nominees Pty Limited | 7,075,900 | 8.88% |
| 3 | Carol Jenkins Barnett | 6,831,000 | 8.58% |
| 4 | Wildville Enterprises Pty Ltd | 5,710,000 | 7.17% |
| 5 | HSBC Custody Nominees | 5,095,171 | 6.40% |
| 6 | ABN Amro CLearing Sydney | 4,148,959 | 5.21% |
| 7 | New Nevada Resources Ilc | 2,739,726 | 3.44% |
| 8 | MRI Advisory AG | 2,600,000 | 3.26% |
| 9 | Boveri Limited | 2,600,000 | 3.26% |
| 10 | Kelly Melissa Lapping | 2,600,000 | 3.26% |
| 11 | Mr Lester Dunn Register | 2,034,332 | 2.55% |
| 12 | JP Morgan Nominees Australia | 1,781,199 | 2.24% |
| 13 | Allgreen Holdings PTY LTD | 1,600,000 | 2.01% |
| 14 | Timriki PTY LTD | 1,500,000 | 1.88% |
| 15 | Mrs Dimitra Hronis | 1,450,000 | 1.82% |
| 16 | Samuel Engineering Inc | 1,097,951 | 1.38% |
| 17 | Zachary Michael Paul | 1,000,000 | 1.26% |
| 18 | N & J Mitchell Holdings | 700,000 | 0.88% |
| 19 | Arden Briggs Morrow | 700,000 | 0.88% |
| 20 | Heath Rushing | 700,000 | 0.88% |
| Total Top 20 Shareholding | | 59,735,257 | 74.99% |
| Others | | 19,917,839 | 25.01% |
| Total Issued Capital | | 79,653,096 | 100.0% |

Source: Company

Share price performance

- 5.16 The figure below sets out a summary of Nevada Iron's closing Share prices and traded volumes for the recent trading period prior to the announcement of the Proposed Transaction on 20 May 2016, at which point the Company's securities were suspended from trading in accordance with the ASX Listing Rules.

Table 7 Nevada Iron's daily closing Share price and traded volumes



Source: S&P Capital IQ / ASX

- 5.17 In the 12 months prior to 20 May 2016, Nevada Iron Shares were traded thinly and infrequently. Over this period Nevada Iron's Share price fluctuated at between \$0.01 per Share and \$0.07 per Share.
- 5.18 There were days of elevated activity recorded on 5 and 6 November 2015 and 7 January 2016, however, there were no public announcements by the Company on these dates to which the activity may have related. With the exception of these dates, the Shares were traded minimally.
- 5.19 Nevada Iron's Share price performance is discussed in more detail in Paragraphs 8.12 to 8.15.

6. Profile of SportsHero

Background

- 6.1 Sportz Hero Pty Ltd (SportsHero Australia) is an Australian company that was incorporated on 27 April 2016 with the chief purpose of acquiring a 16.67% investment in SportsHero Enterprise Pte Ltd (SportsHero Singapore), a company incorporated in Singapore on 9 March 2016 and owner of the SportsHero business.
- 6.2 SportsHero is the new incarnation of FootballHero, a social media platform launched in January 2015 that functions as a real time fantasy sport and social prediction app.
- 6.3 The remaining 83.33% interest in SportsHero Singapore is owned by MyHero Limited (“MyHero”), a Singapore based company incorporated in the Cayman Islands that was behind TradeHero, a leading mobile stock trading app launched in January 2013 that now has over 8 million users.
- 6.4 SportsHero and FootballHero were each developed within MyHero.
- 6.5 SportsHero will replicate the TradeHero model and allow sports fans to gain an increased understanding and enjoyment of the games by collating the interaction of all other sports fans in its social community with validated predictions and social sentiment. Using this engagement, SportsHero intends to leverage the interest in sports across Asia to become an encompassing sports social media site where fans can engage directly with their sports heroes, purchase tickets to sporting events, engage through ecommerce to purchase and sell their favourite team or individuals clothing, sports paraphernalia and memorabilia and interact with other users.

Industry Background

- 6.6 SportsHero will be targeting users and monetisation primarily in the Asia-Pacific market.

Smartphone App Development

- 6.7 Smartphone usage in the Asia Pacific is forecast to increase from one to two billion between 2015 and 2019. While the broader app development industry is expected to slow over this time as the market gradually matures, developments in smartphone technology and other advances in complementary devices are expected to develop, enabling certain popular subsectors such as mobile sports technology to outperform the wider industry. These developments may provide scope for industry players to generate alternative revenue streams by making their apps compatible with multiple platforms. For example, self-publishing app developers are expected to expand the monetisation of their apps, with more industry players shifting to subscription based models.
- 6.8 A greater number of internet connections is demonstrated to assist smartphone penetration, increasing access to sophisticated apps and programs that rely on faster connections. Investments in 4G networks and faster broadband connections make downloading apps straight to smartphones significantly easier. In 2016-17, the number of internet connections is expected to increase, providing an opportunity for the industry to enhance its revenue growth potential.

Mobile Sport Technology

- 6.9 The sports industry is a significant investment market, which serves as a viable testing ground for mobile use cases.
- 6.10 As mobile technology continues to advance, sports franchises, leagues and stadiums across the globe are using mobile strategy to improve the experiences of players on the field, coaches on the side-lines, fans at home and on-the-go and supporters at the stadium.

- 6.11 Sports teams have also turned their attention to mobile technologies to change how their fans interact with them. Many new, professional stadiums now boast modern, fan interactive technology offering unique experiences to patrons watching live. Research indicates that over 75% of people in the United States now watch TV with a laptop, phone or tablet nearby while 90% of media consumption occurs in front of a screen, which suggests viewers are searching more on mobile in general and doing so while watching television. Sports are therefore creating more moments for marketers to reach fans on mobile devices, and fans are able to connect with their teams and other fans more during games.
- 6.12 Together this allows app developers to build more engaging and personalised experiences for sports fans.

Agreements

- 6.13 SportsHero Australia has entered into the following agreements in connection with the Proposed Transaction:
- Share Purchase Agreement (“SPA Agreement”) - means the agreement between SportsHero Australia and the Company dated on or about 27 September 2016, pursuant to which the Company is to acquire from SportsHero Australia’s shareholders 7,000,000 fully paid ordinary shares in SportsHero Australia (representing 100% of SportsHero Australia) for a consideration of 36,000,000 Post Consolidation Shares and 72,000,000 Post Consolidation Options.
 - Share Sale Agreement (“SSA Agreement”) - the agreement between MyHero, SportsHero Australia and the Company dated on or about 27 September 2016, pursuant to which SportsHero Australia is to acquire from MyHero Limited 5,000,000 fully paid ordinary shares in SportsHero Singapore (representing 83.33% of SportsHero Singapore) for a consideration of 60,000,000 Nevada Iron Post Consolidation Shares.

Directors and Management

- 6.14 The current board members of Sportshero Singapore include:
- Mr Dinesh Bhatia, Director and CEO
 - Mr Thomas Lapping, Director
 - Mr Justin Reis, Director

Financial Information

- 6.15 SportsHero Australia is principally the Australian holding company for the SportsHero business and reported minimal trading activity for the period from incorporation to 30 June 2016. As such we have included the audited financial statements of SportsHero Australia alongside SportsHero Singapore for information purposes only in this section.
- 6.16 The financial information of SportsHero Singapore only has been considered in our assessment of the Proposed Transaction in the following sections.

Financial Performance

- 6.17 The following table sets out a summary of the audited financial performance of SportsHero Australia and SportsHero Singapore for the period from incorporation to 30 June 2016.

Table 8 SportsHero Historical Financial Performance

| US\$ | Ref | SportsHero Australia 30-Jun-16 Audited | SportsHero Singapore 30-Jun-16 Audited |
|---|-----|--|--|
| Interest received | | 342 | - |
| <i>Expenses:</i> | | | |
| Administration expenses | | (3,554) | (151,260) |
| Finance costs | | (265) | - |
| Loss before income tax | | (3,477) | (151,260) |
| Income tax expense | | - | |
| Loss after income tax expense for the year | | (3,477) | (151,260) |

Source: Company Financials

- 6.18 The financial performance of SportsHero Australia and SportsHero Singapore for the period ended 30 June 2016 is indicative of companies in the start-up phase. Administrative expenses primarily comprise remuneration of directors, advertising, professional fees and subscriptions.

Financial Position

6.19 The table below sets out a summary of the audited financial position of SportsHero Australia and SportsHero Singapore as at 30 June 2016.

Table 9 SportsHero Historical Financial Position

| US\$ | Ref | SportsHero Australia 30-Jun-16 Audited | SportsHero Singapore 30-Jun-16 Audited |
|----------------------------------|------|--|--|
| ASSETS | | | |
| Cash and cash equivalents | 6.20 | 36,085 | 436,666 |
| Trade and other receivables | | 270 | - |
| Other assets | | - | 14,367 |
| Total current assets | | 36,355 | 451,033 |
| Plant and equipment | | - | 1,109 |
| Intangible assets | 6.21 | | 2,000,000 |
| Other financial assets | | 693,033 | - |
| Total non-current assets | | 693,033 | 2,001,109 |
| Total assets | | 729,388 | 2,452,142 |
| LIABILITIES | | | |
| Trade and other payables | | 2,865 | 103,402 |
| Borrowings | | 30,000 | - |
| Total current liabilities | | 32,865 | 103,402 |
| Total liabilities | | 32,865 | 103,402 |
| Net Assets | | 696,523 | 2,348,740 |
| EQUITY | | | |
| Issued capital | | 700,000 | 2,500,000 |
| Accumulated losses | | (3,477) | (151,260) |
| Total equity | | 696,523 | 2,348,740 |

Source: Company Financials

6.20 As at 30 June 2016, SportsHero Singapore had net tangible assets and working capital of approximately US\$0.3 million, primarily comprising around US\$0.4 million cash. Cash on hand reflects the investment from SportsHero Australia of around US\$0.5 million during the year in consideration for 998,000 shares in SportsHero Singapore, representing a 16.67% voting interest.

6.21 Intangible assets held at 30 June 2016 represents the SportsHero business, which was acquired from MyHero during the period via the issue of 5,000,000 shares or a voting interest of 83.33% in Sportshero Singapore. The US\$2 million intangible assets or intellectual property at 30 June 2016 is in respect of historical expenditure incurred by MyHero to establish the SportsHero business; including items such as patent costs, professional fees, staff costs, advertising expenditure and other corporate overheads.

Capital Structure

6.22 The following table sets out the capital structure of SportsHero Australia at the date of this Report.

Table 10 Sportz Hero Pty Ltd (“SportsHero Australia”) Shareholder Listing

| Rank | Name | Total Units | % Issued Share Capital |
|-----------------------------|---|------------------|------------------------|
| 1 | Justin Demetrio Reis | 1,625,000 | 23.21% |
| 2 | Thomas Napong Lapping Tonavanick | 1,625,000 | 23.21% |
| 3 | Timriki Pty Ltd | 1,000,000 | 14.29% |
| 4 | Adrian Stephen Paul & Mrs Noeline Faye Paul | 825,000 | 11.79% |
| 5 | Allgreen Holdings Pty Ltd | 800,000 | 11.43% |
| 6 | Allnorth Nominees Pty Ltd | 625,000 | 8.93% |
| 7 | Howard Dawson & Leigh Dawson | 200,000 | 2.86% |
| 8 | Discovery Capital Limited | 200,000 | 2.86% |
| 9 | Paul Jack Arundel | 50,000 | 0.71% |
| 10 | Malcolm Keith Smartt & Janice Leonie Smartt | 50,000 | 0.71% |
| Total issued capital | | 7,000,000 | 100.00% |

Source: Company

7. Valuation Approach

Valuation methodologies

- 7.1 In assessing the Fair Value of an ordinary Nevada Iron Share prior to and immediately following the Proposed Transactions, we have considered a range of valuation methodologies. RG 111 proposes that it is generally appropriate for an expert to consider using the following methodologies:
- the discounted cash flow (“DCF”) method and the estimated realisable value of any surplus assets;
 - the application of earnings multiples to the estimated future maintainable earnings or cash flows added to the estimated realisable value of any surplus assets;
 - the amount which would be available for distribution on an orderly realisation of assets;
 - the quoted price for listed securities; and
 - any recent genuine offers received.
- 7.2 We consider that the valuation methodologies proposed by RG 111 can be split into three valuation methodology categories, as follows.

Market based methods

- 7.3 Market based methods estimate the Fair Value by considering the market value of a company’s securities or the market value of comparable companies. Market based methods include;
- The quoted price for listed securities; and
 - Industry specific methods.
- 7.4 The recent quoted price for listed securities method provides evidence of the Fair Value of a company’s securities where they are publicly traded in an informed and liquid market.
- 7.5 Industry specific methods usually involve the use of industry rules of thumb to estimate the fair market value of a company and its securities. Generally rules of thumb provide less persuasive evidence of the fair market value of a company than other market based valuation methods because they may not account for company specific risks and factors.

Income based

- 7.6 Income based methods estimate value by calculating the present value of a company’s estimated future stream of earnings or cash flows. Income based methods include:
- Capitalisation of maintainable earnings; and
 - Discounted cash flow methods.
- 7.7 The capitalisation of earnings methodology is generally considered a short form DCF, where an estimation of the Future Maintainable Earnings (“FME”) of the business, rather than a stream of cash flows is capitalised based on an appropriate capitalisation multiple. Multiples are derived from the analysis of transactions involving comparable companies and the trading multiples of comparable companies.
- 7.8 The DCF technique has a strong theoretical basis, valuing a business on the net present value of its future cash flows. It requires an analysis of future cash flows, the capital structure and costs of capital and an assessment of the residual value or the terminal value of the company’s cash flows at the end of the forecast

period. This method of valuation is appropriate when valuing companies where future cash flow projections can be made with a reasonable degree of confidence.

Asset based methods

- 7.9 Asset based methodologies estimate the Fair Value of a company's securities based on the realisable value of its identifiable net assets. Asset based methods include:
- orderly realisation of assets method;
 - liquidation of assets method; and
 - net assets on a going concern basis.
- 7.10 The value achievable in an orderly realisation of assets is estimated by determining the net realisable value of the assets of a company which would be distributed to security holders after payment of all liabilities, including realisation costs and taxation charges that arise, assuming the company is wound up in an orderly manner. This technique is particularly appropriate for businesses with relatively high asset values compared to earnings and cash flows.
- 7.11 The liquidation of assets method is similar to the orderly realisation of assets method except the liquidation method assumes that the assets are sold in a shorter time frame. The liquidation of assets method will result in a value that is lower than the orderly realisation of assets method, and is appropriate for companies in financial distress or when a company is not valued on a going concern basis.
- 7.12 The net assets on a going concern method estimates the market values of the net assets of a company but unlike the orderly realisation of assets method it does not take into account realisation costs. Asset based methods are appropriate when companies are not profitable, a significant proportion of the company's assets are liquid, or for asset holding companies.

Selection of valuation method

Proposed Transaction

Valuation of a Nevada Iron Share pre the Proposed Transaction (control basis)

- 7.13 In assessing the value of a Nevada Iron Share prior to the Proposed Transaction we have utilised a sum of parts valuation, which combines the following methodologies:
- For the BVI Project – methodologies as selected by an independent technical specialist (detailed in paragraph 7.14 below); and
 - For all other assets and liabilities – net assets on a going concern.
- 7.14 We have instructed Crosscut Consulting ("Crosscut" or Independent Specialist") to act as an independent technical specialist to value the BVI Project held by NIH. Crosscut used the Market Value ('comparable transactions') method as the primary approach to value the BVI Project held by NIH.
- 7.15 Crosscut's report has been prepared in accordance with the requirements of the VALMIN Code. In our opinion, the methodology adopted by Crosscut is appropriate for the current status of the BVI Project. Further information on Crosscut's adopted valuation methodology and valuation can be found on Crosscut's report included at Appendix F.
- 7.16 We note that the sum of parts valuation is inclusive of a premium for control.
- 7.17 We have also utilised the quoted market price methodology as a secondary valuation method pre the Proposed Transaction. Nevada Iron's Shares are listed on the ASX which means there is a regulated and

observable market for its Shares. However, consideration must be paid to adequate liquidity and activity in order to rely on the quoted market price method. We note that Nevada Iron's Shares have been suspended from trading since the announcement of the Proposed Transaction on 20 May 2016 in accordance with ASX Listing Rules.

7.18 In our opinion, the DCF methodology cannot be used as future revenue and expenses cannot be forecast with sufficient reasonable basis to meet the requirements of RG 111; and

7.19 The FME methodology is not appropriate as Nevada Iron does not have a history of profitable trading.

Valuation of a Nevada Iron Share post the Proposed Transaction (minority basis)

7.20 In assessing the value of Nevada Iron post the Proposed Transaction, we have used the pre Proposed Transaction value and included the impact of the Proposed Transaction and the sale of the BVI Project assuming they proceed. In particular, we have made the following adjustments:

- Eliminated any value attributable to the shell of Nevada Iron;
- Included the value of SportsHero Australia and SportsHero Singapore's net assets at face value;
- Included the effect of the sale of the BVI Project;
- Included cash raised from the Placement which is a condition of the Proposed Transaction;
- Included any dilution from the issue of Shares from the Proposed Transaction and the Placement;
- Included the dilution from advisor Shares relating to the Proposed Transaction assuming they will be approved in accordance with Resolution 6; and
- Included specific costs associated with the Proposed Transaction.

7.21 We have then assessed the value of a Nevada Iron Share post the Proposed Transaction on a non-controlling basis by adjusting for minority discount.

8. Valuation of Nevada Iron prior to the Proposed Transaction

- 8.1 As stated in paragraph 7.13 we have assessed the value of a Nevada Iron share prior to the Proposed Transaction on a sum of parts basis and have also considered the quoted market price of its listed securities. In both valuations we have included a premium for control.

Sum of parts valuation

- 8.2 We have assessed the value of a Nevada Iron Share on a control basis to be between \$0.013 and \$0.140 prior to the Proposed Transaction based on the sum of parts methodology, as summarised in the table below.

Table 11 Assessed Fair Value of a Nevada Iron Share - sum of parts basis

| \$A | Ref | 30-Jun-16 | Low | High |
|---|------|------------------|----------------|------------------|
| Cash | 5.11 | 245,673 | 245,673 | 245,673 |
| Value of Company as a listed shell | 8.5 | - | 500,000 | 750,000 |
| Assets held for sale - the BVI Project | 8.6 | 1,040,154 | 1,315,789 | 7,236,842 |
| Other assets and liabilities ⁽¹⁾ | 5.11 | (1,453,593) | (1,453,593) | (1,453,593) |
| Net assets (sum of parts) | | (167,766) | 607,869 | 6,778,922 |
| Number of Shares on issue (Post Consolidation) ⁽²⁾ | 3.10 | | 48,301,548 | 48,301,548 |
| Value per share (undiluted) | | | \$0.013 | \$0.140 |

Source: RSM analysis

1. We have converted the USD values attributed to the BVI Project by the Independent Specialist at a current AUD:USD rate of 0.76.
2. We have included the Convertible Notes on issue in the number of Post Consolidation Shares on issue prior to the Proposed Transaction. While the Convertible Notes have yet to be converted subject to Resolution 3, they are not a condition of the Proposed Transaction and, therefore, should be treated consistently in our assessment of fairness pre and post the Proposed Transaction.

- 8.3 Our assessment is based on the audited net liabilities of Nevada Iron as at 30 June 2016 of approximately \$0.2 million as per the Company's financial statements. We have been advised that, except for normal operating costs and the adjustments listed below, there has been no significant change in the net liabilities of Nevada Iron since 30 June 2016.

- 8.4 In order to calculate the current Fair Value of Nevada Iron's Shares, we have made a number of adjustments to the carrying values of net liabilities included in the Statement of Financial Position. These adjustments are set out below.

Value of a listed shell

- 8.5 In considering the value of the listed shell we have reviewed similar recent transactions and the values attributed to shells. We have also considered comparable dormant listed companies and concluded that the value of a shell is between \$0.5 million and \$0.75 million based on recent data.

Assets held for sale

- 8.6 Assets classified as held for sale at 30 June 2016 reflects the carrying value of the BVI Project. We have replaced the carrying value of the BVI Project with the values calculated by Crosscut as detailed in its independent valuation report attached at Appendix F.
- 8.7 Crosscut calculated a range of values for the BVI Project. We have summarised these values below.

Table 12 Assessed values of the BVI Project and Consideration

| Crosscut Valuation A\$ million | Ref | Low | Value Preferred | High |
|-----------------------------------|-----|---------|--------------------|---------|
| The BVI Project ⁽¹⁾ | 8.2 | \$ 1.32 | \$ 2.24 | \$ 7.24 |

Source: Crosscut Consulting Independent valuation of the BVI Project, refer Appendix F.

1. We have converted the USD values attributed to the BVI Project by the Independent Specialist at a current AUD:USD rate of 0.76.

8.8 We note that the broad range of values is typical for exploration assets, with the preferred value of \$2.24 million being at the lower end of the range, which indicates the most appropriate value to be attributed the BVI Project. More details of the valuation methods used by Crosscut are included in the report attached at Appendix F.

Quoted price of a listed security

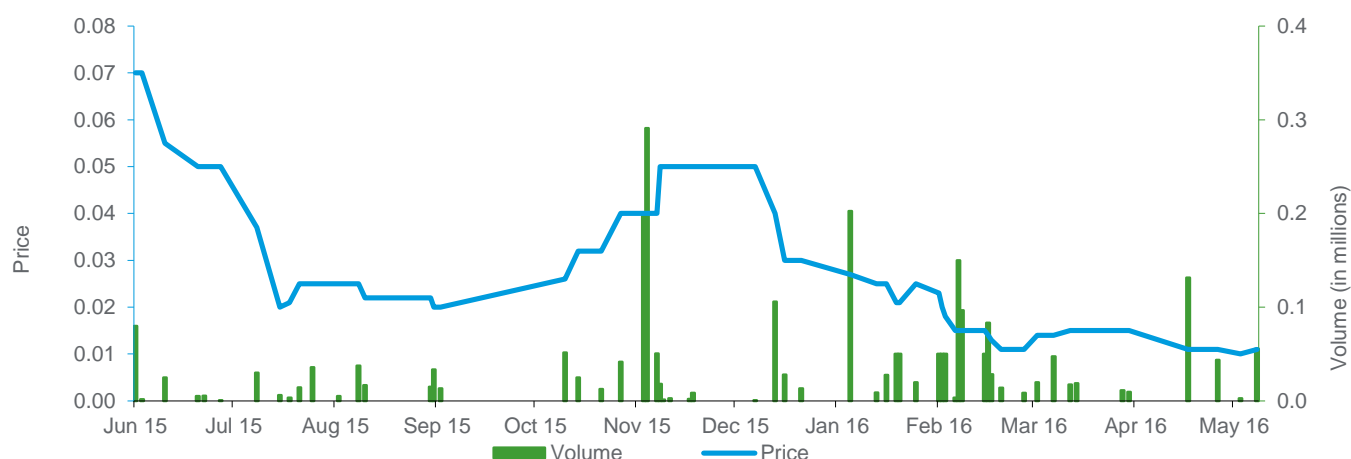
8.9 In order to provide a comparison and cross check to our sum of parts valuation of Nevada Iron, we have considered the recent quoted market price for Nevada Iron's Shares on the ASX prior to the announcement of the Proposed Transaction.

8.10 Unless stated, the analysis in this section is based on the pre-Consolidation capital structure of Nevada Iron.

Analysis of recent trading in Nevada Iron Shares

8.11 The figure below sets out a summary of Nevada Iron's closing Share prices and traded volumes for the 12 months to the announcement of the Proposed Transaction on 20 May 2016, from which date the Company's securities have been in suspensions in accordance with the ASX Listing Rules.

Table 13 Nevada Iron's daily closing Share price and traded volumes



Source: S&P Capital IQ / ASX

8.12 In the 12 months prior to 20 May 2016, Nevada Iron Shares were at between \$0.01 per Share and \$0.07 per Share.

8.13 On 27 October 2015 the Company issued 31,098,030 fully paid Shares and 9,395,880 Options each exercisable at \$0.10 with an expiry date of 30 September 2017.

8.14 To provide further analysis of the quoted market prices for Nevada Iron's Shares, we have considered the VWAP over a number of trading day periods ending 20 May 2016 being the last day the Company's securities were traded prior to the announcement of the Proposed Transaction. An analysis of the volume in trading in

Nevada Iron's Shares for the 1, 5, 10, 30, 60, 90, 120 and 180 day trading periods is set out in the table below.

Table 14

| Number of Days | 1 Day | 5 Day | 10 Day | 30 Day | 60 Day | 90 Day | 120 Day | 180 Day |
|-------------------------------------|-------|-------|--------|--------|--------|---------|---------|---------|
| VWAP | 0.011 | 0.011 | 0.011 | 0.012 | 0.013 | 0.018 | 0.020 | 0.026 |
| Total volume (000's) | 55.7 | 58.4 | 102.1 | 254.4 | 541.6 | 1,300.0 | 1,457.9 | 2,214.0 |
| Total volume as a % of total Shares | 0.08% | 0.08% | 0.15% | 0.37% | 0.78% | 1.88% | 2.10% | 3.20% |
| Low price | 0.011 | 0.010 | 0.010 | 0.010 | 0.010 | 0.010 | 0.010 | 0.010 |
| High price | 0.011 | 0.011 | 0.011 | 0.015 | 0.015 | 0.027 | 0.050 | 0.050 |

Source: S&Ps Capital IQ

- 8.15 The table above indicates low volume and low liquidity in Nevada Iron' Shares immediately prior to the announcement of the Proposed Transaction. Over a 180 day period, just 3.2% of the total Shares on issue were traded. This is indicative of an extremely illiquid stock.

Value of a Nevada Iron Share on a non-control basis

- 8.16 In our opinion, the weighted average Share price of NVI over the last 30 days is most reflective of the underlying value of a Nevada Share. As such, we consider a range of values of between A\$0.01 and A\$0.015 (1 – 30 day VWAP) reflects the quoted market price valuation of a Nevada Iron Share on a minority basis prior to the Proposed Transaction.

Valuation of an a Nevada Iron share on a control basis

- 8.17 Our valuation of a Nevada Iron Share, on the basis of the recent quoted market price including a premium for control is between \$0.013 and \$0.020 on a pre Consolidation basis and between \$0.025 and \$0.041 on a Post Consolidation basis, as summarised in the table below.

Table 15 Assessed value of a Nevada Iron Share – Quoted Price of Listed Securities

| A\$ | Ref. | Low | High |
|---|------|----------------|----------------|
| 30 day VWAP of NVI Share at 10 May 2016 | | \$0.010 | \$0.015 |
| Add premium for control | | 25% | 35% |
| Quoted market price controlling value | | \$0.013 | \$0.020 |
| Consolidation multiple | | 2.0x | 2.0x |
| Consolidated quoted market price controlling value | | \$0.025 | \$0.041 |

Source: RSM analysis

Key Assumptions

- 8.18 The value derived at paragraph 8.17 is indicative of the value of a marketable parcel of Shares assuming the Shareholder does not have control of Nevada Iron. RG 111.11 states that when considering the value of a company's shares the expert should consider a premium for control. If the Proposed Transaction is successful, new Shareholders related to SportsHero will hold an interest of up to 46% in the issued capital of

Nevada Iron, of which MyHero will hold an interest of up to 29%. Therefore, as explained in Section 4, our assessment of the Fair Value of a Nevada Iron Share must include a premium for control.

- 8.19 In selecting a control premium we have given consideration to the RSM 2013 Control Premium Study and recent updates. The study performed an analysis of control premiums paid over a 7-year period to 31 December 2012 in 345 successful takeovers and schemes of arrangements of companies listed on the ASX. Our study concluded that, on average, control premiums in takeovers and schemes of arrangements involving Australian companies in the mining and metals sectors was in the range of 25% to 35%. In valuing an ordinary Nevada Iron Share prior to the Proposed Transaction using the quoted price of listed securities methodology we have reflected a premium for control in the range of 25% to 35%.

Value summary and conclusion

- 8.20 A summary of our assessed values of an ordinary Nevada Iron Share on a control basis pre the Proposed Transaction, derived under two methodologies, is set out in the table below.

Table 16 Nevada Iron share valuation summary

| A\$ | Ref. | Low | Preferred | High |
|----------------------------|------|----------------|----------------|----------------|
| Sum of parts | 8.2 | \$0.013 | \$0.034 | \$0.140 |
| Quoted market price | 8.17 | \$0.025 | \$0.033 | \$0.041 |
| Preferred valuation | | \$0.013 | \$0.034 | \$0.140 |

Source: RSM analysis

- 8.21 In our opinion, we consider that the sum of parts valuation methodology provides a better indication of the Fair Value of a Nevada Iron Share as we consider our analysis of the trading of Nevada Iron's Shares prior to the announcement of the Proposed Transaction indicates that the market for Nevada Iron's Shares is not deep enough to provide an assessment of their Fair Value via the quoted market price methodology.
- 8.22 Therefore, in our opinion, the Fair Value of a Nevada Iron Share prior to the Proposed Transaction is between \$0.013 and \$0.140 on a controlling, Post Consolidation and undiluted basis.

The large range in assessed values prior to the Proposed Transaction is indicative of an early-stage exploration Company, with the high value capturing the upside potential in the BVI Project as assessed by the Independent Specialist. We note that the Independent Specialist's preferred value of US\$1.7 million for the BVI Project is at the lower end of the range. Accordingly, our preferred value of a Nevada Iron share prior to the Proposed Transaction of \$0.034 on a controlling, Post Consolidation and undiluted basis is at the lower end of the range of assessed values.

9. Valuation of Nevada Iron post the Proposed Transaction

9.1 We summarise our valuation of a Nevada Iron Share subsequent to the Proposed Transaction on a net assets on a going concern basis in the table below.

Table 17 Assessed Value of Nevada Iron post the Proposed Transaction

| \$A | Ref | Low | High |
|---|------|--------------------|--------------------|
| Sum of parts value of NVI pre Proposed Transaction | 8.2 | 607,869 | 6,778,922 |
| less: shell value | 9.5 | (500,000) | (750,000) |
| less: the BVI Project | 9.6 | (1,315,789) | (7,236,842) |
| plus: value of Consideration | 9.6 | 1,127,500 | 1,359,558 |
| plus: net proceeds from the Placement ⁽¹⁾ | 9.15 | 2,200,000 | 2,200,000 |
| plus: value of SportsHero Australia and SportsHero Singapore ⁽³⁾ | 9.16 | 458,868 | 3,090,447 |
| Value of Nevada Iron (undiluted) | | 2,578,448 | 5,442,085 |
| Number of Post Consolidation Shares on issue prior to the Proposed Transaction ⁽⁵⁾ | 3.10 | 48,301,548 | 48,301,548 |
| Shares issued to MyHero | 3.10 | 60,000,000 | 60,000,000 |
| Shares issued to other SportsHero shareholders | 3.10 | 36,000,000 | 36,000,000 |
| Shares issued pursuant to the Placement | 3.10 | 50,000,000 | 50,000,000 |
| Shares issued to an advisor ⁽⁴⁾ | 3.10 | 12,500,000 | 12,500,000 |
| Total Shares post-Proposed Transaction | | 206,801,548 | 206,801,548 |
| Post Consolidation value per Share | | \$0.012 | \$0.026 |
| Discount for minority interest | | -\$0.002 | -\$0.007 |
| Minority value per Share (undiluted)⁽¹⁾ - Scenario 1 | | \$0.010 | \$0.019 |
| Minority value per Share (undiluted)⁽²⁾ - Scenario 2 | | \$0.007 | \$0.014 |

Source: RSM analysis

1. Scenario 1 assumes that the minimum Placement of \$2,500,000 (less Placement costs) is completed at the anticipated issue price of \$0.05 per Share for the issue of 50,000,000 Post Consolidation Shares.
2. Scenario 2 shows the impact on the value of a Nevada Share if the minimum Placement of \$2,500,000 (less Placement costs) is completed at an issue price of \$0.02 per Share for the issue of 125,000,000 Post Consolidation Shares.
3. We have converted the USD denominated values of SportsHero at a current AUD:USD rate of 0.76.
4. Advisor Shares will be issued subject to Shareholder approval if the Proposed Transaction proceeds. If the advisor Shares are not approved and the Proposed Transaction proceeds, our calculated minority value per share will be materially unchanged.
5. The Company is seeking Shareholder approval for the issue and allotment of 16,950,000 pre consolidated shares (or 8,475,000 Post Consolidation Shares) in order to convert the Convertible Notes into Shares in the Company. As the Convertible Notes are not subject to the approval of the Proposed Transaction, for consistency in our assessment of fairness we have included their impact both pre and post the Proposed Transaction. Any cash and debt/equity component arising from the Notes is deemed to eliminate.

9.2 We consider that the minority value of a Nevada Iron share post the Proposed Transaction is between \$0.010 and \$0.019 on a Post Consolidation, undiluted basis and assuming the minimum Placement, that is a condition precedent, is completed at the anticipated issue price of \$0.05 per Share for 50,000,000 Post Consolidation Shares ("Scenario 1").

9.3 If the Placement is completed at a lower issue price of \$0.02 per Share for 125,000,000 Post Consolidation Shares, we consider the minority value of a Nevada Iron Share post the Proposed Transaction is between \$0.007 and \$0.014 on a Post Consolidation, undiluted basis ("Scenario 2").

9.4 We have adjusted the net asset value and Shares on issue of Nevada Iron for the following:

Value of a listed shell

9.5 The sum of parts value includes Nevada Iron prior to the Proposed Transaction includes attributable shell value. In our opinion, shell value should not be considered in a scenario where the Board intends to operate and grow an existing business.

Assets held for sale

9.6 We have adjusted the value of Nevada Iron post the Proposed Transaction for the sale of the BVI Project and Consideration related to the BVI Project given that the Sale of BVI Project is conditional on Acquisition proceeding.

9.7 The BVI Project has been adjusted by the values determined by Crosscut as detailed in paragraph 8.7. We note that the preferred value of A\$2.24m is at the lower end of the range, which gives an indication of the most reliable value of the BVI Project given the broad range. More details of the valuation methods used by Crosscut are included in the report attached at Appendix F.

Consideration

9.8 The value of the Consideration that will be paid to Nevada Iron to acquire the BVI Project is set out in the table below.

Table 18 Value of Consideration to acquire the BVI Project

| Value of Consideration A\$ million | Ref | Low | | High | |
|---|------|-----------|-------------|-----------|-------------|
| Initial Consideration | 9.9 | \$ | 1.13 | \$ | 1.13 |
| Present value of Deferred Consideration | 9.10 | \$ | - | \$ | 0.23 |
| Total | | \$ | 1.13 | \$ | 1.36 |

Source: RSM Analysis

1. We have converted the USD denominated Deferred Consideration at a current AUD:USD rate of 0.76.

9.9 As discussed in section 3, the Initial Consideration values comprise:

- Assumption of all creditors in NIH's wholly owned US subsidiaries of at least A\$800,000 based on the recorded book values included in the balance sheet of Nevada Iron at 30 June 2016;
- Assumption of liabilities owed to Mick McMullen (and/or related entities) of approximately A\$227,500 at 30 June 2016; and
- A cash payment of A\$100,000 at settlement;

9.10 For the Deferred Consideration, we have considered the likelihood of the production milestones being achieved in order for the deferred payments to be payable to the Company.

9.11 Management considers that for the BVI Project to be deemed economical to develop, the US\$ iron ore price (62% Fe) must reach a sustained level above US\$80 / tonne (62%). According to S&P's Capital IQ, the long-range consensus forecast to 2023 at the date of this report is US\$48 / tonne. As such, we consider it unlikely that the iron price will reach the required level to make the BVI Project economical in the foreseeable future.

- 9.12 Our low value has been assessed as \$nil to reflect the possibility that the US\$750,000 deferred payments are not received.
- 9.13 Give the iron ore price has reached sustained levels above US\$80/tonne in the last 5 years, it is not unreasonable to suggest that the iron ore price could perhaps reach these levels again in the future at which point the BVI Project would be considered economical. As such we would consider a best case scenario that the iron ore price achieves a sustained level above US\$80/tonne in say 5 years' time. Then, following a minimum two year construction period and a year of ramp up in order to meet the required production milestone, we consider it possible that the first of three annual deferred payments could be triggered 8 years after the Proposed Transaction is completed. Assuming a discount rate of say 20% which we deem to appropriate for an exploration company (refer appendix E for details), the present value of the US\$750,000 deferred payments would be calculated as A\$0.23 million.
- 9.14 Accordingly, our high value has been assessed as A\$0.23 million to reflect the possibility that the iron ore price could reach the required levels to develop the BVI Project in, say 5 years' time.

Condition precedent Placement

- 9.15 We have adjusted the net asset value of Nevada Iron post the Proposed Transaction by A\$2.5 million (less estimated transaction costs of A\$300,000) and the 125 million Nevada Iron shares issued to reflect the minimum Placement that is a condition precedent of the Proposed Transaction. We have assumed that this Placement was made at a Post Consolidation issue price of \$0.05 per share under Scenario 1. Scenario 2 shows the impact on the Post Consolidation, undiluted, minority value of a Nevada Iron Share if the minimum Placement is carried out at an issue price of \$0.02 per Share.

We have prepared two scenarios, given the requirement for our Report as discussed in Section 3, which depend on the level at which the Placement is completed. Should the Placement be completed at the anticipated issue price of \$0.05 per Share, the Proposed Transaction will result in MyHero (or its nominees) acquiring a maximum interest of 29.0% (21.1% fully diluted) in the issued capital of Nevada Iron. If the Placement is completed at the minimum issue price of \$0.02 per Share, MyHero (or its nominees) will acquire an interest of up to 18.1% (14.7% fully diluted) in the issued capital of Nevada Iron.

Net Asset Value of SportsHero Australia and SportsHero Singapore

- 9.16 We have assessed the value of SportsHero Australia and SportsHero Singapore on a control basis to be between \$0.46 million and \$3.09 million based on the net asset methodology, as summarised in the table below:

Table 19 Assessed equity value of SportsHero Australia and SportsHero Singapore

| \$A million | Ref. | Low | High |
|--|------|----------------|----------------|
| Intangible assets | 9.1 | \$ - | \$ 2.63 |
| Other assets and liabilities | 9.1 | \$ 0.46 | \$ 0.46 |
| Net asset value of SportsHero⁽¹⁾ | | \$ 0.46 | \$ 3.09 |

Source: RSM analysis

1. We have converted the USD denominated values of SportsHero Australia and SportsHero Singapore at a current AUD:USD rate of 0.76.

- 9.17 The figures in the table above are based on the audited Statement of Financial Position of SportsHero Australia and SportsHero Singapore at 30 June 2016.
- 9.18 As discussed in section 6, the intangible assets held by SportsHero Australia and SportsHero Singapore at 30 June 2016 represent intellectual property acquired from MyHero during the period in respect historical costs incurred in establishing the SportsHero business.

- 9.19 Our high value has been assessed as A\$3.09 million based on the audited book value of the intangible assets of \$2.63 million at 30 June 2016, converted at a current AUD:USD exchange rate of 0.76. Our low value has assessed the value of the intangible assets as \$nil given the early stage phase that the SportsHero business is in and there being no guarantee that the economic benefit from the intangible assets will be fully realised.

10. Is the Proposed Transaction Fair to Nevada Iron Shareholders?

10.1 Our assessed values of a Nevada Iron Share prior to and immediately after the Proposed Transaction are summarised in the table below.

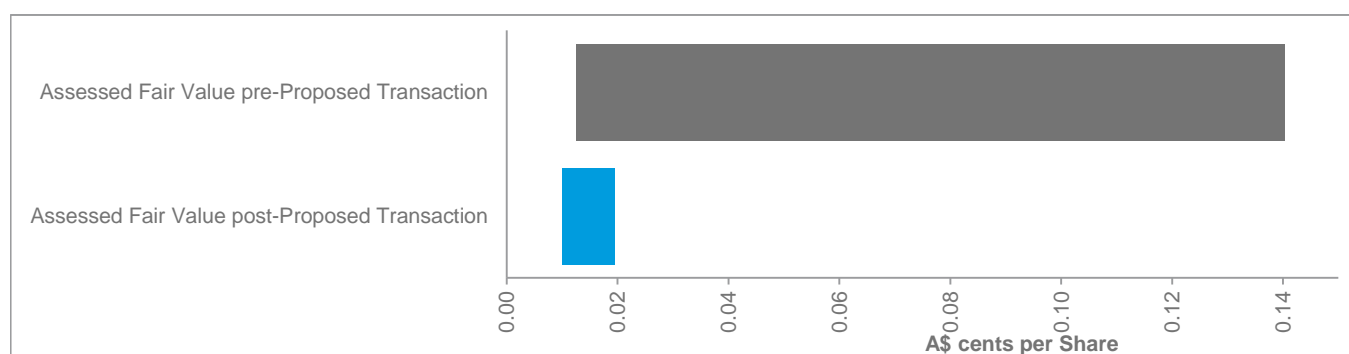
Table 20 Assessed values of a Nevada Iron Share pre and post the Proposed Transaction

| Assessment of fairness \$ million | Ref | Value Low | High |
|---|------|--------------|---------|
| Assessed Fair Value pre-Proposed Transaction | 8.20 | \$0.013 | \$0.140 |
| Assessed Fair Value post-Proposed Transaction | 9.1 | \$0.010 | \$0.019 |

Source: RSM analysis

10.2 A graphical representation of the above values is displayed below.

Table 21 Nevada Iron Share valuation – graphical representation



Source: RSM analysis

10.3 In accordance with the guidance set out in ASIC RG 111, and in the absence of any other relevant information, for the purposes of s611 item 7 of the Act, we consider the Proposed Transaction to be, on balance, not fair to the Non-Associated Shareholders of Nevada Iron as on balance, the value of a Nevada Iron Share post the Proposed Transaction is below the range of the value of a Nevada Iron Share pre the Proposed Transaction.

11. Is the Proposed Transaction Reasonable?

11.1 RG111 establishes that an offer is reasonable if it is fair. If an offer is not fair it may still be reasonable after considering the specific circumstances applicable to the offer. In our assessment of the reasonableness of the Proposed Transaction, we have given consideration to:

- The future prospects of Nevada Iron if the Proposed Transaction does not proceed; and
- Other commercial advantages and disadvantages to the Non-Associated Shareholders as a consequence of the Proposed Transaction proceeding.

Future prospects of Nevada Iron if the Proposed Transaction does not proceed

11.2 If the Proposed Transaction does not proceed then the Nevada Iron Board will continue looking for alternative assets and for a new buyer to dispose of the BVI Project. In addition, the Company will likely need to seek alternate funding to meet its short-term working capital requirements and to fund the minimum \$150,000 per annum payments required to maintain the BVI Project in good standing until the BVI Project is disposed of.

Advantages and disadvantages

11.3 In assessing whether the Non-Associated Shareholders are likely to be better off if the Proposed Transaction proceeds than if it does not, we have also considered various advantages and disadvantages that are likely to accrue to the Non-Associated Shareholders.

Advantages of approving the Proposed Transaction

Advantage 1 – the Company will no longer be a shell and will be able to operate as a going concern

11.4 In our opinion, given the Company's principal assets are classified as held for sale and the Company has previously stated its intention to seek alternative investment opportunities, Nevada Iron could be considered a shell company. The Proposed Transaction will provide the Company with necessary capital required to improve its balance sheet from a net liability position and will continue operating as a going concern.

Advantage 2 – the Company will become exposed to an evolving industry

11.5 If the Proposed Transaction proceeds the Company will be exposed to the sports fantasy and virtual gaming industry which is an evolving part of the smartphone industry, providing Shareholders with exposure to future opportunities that the business offers.

Advantage 3 – the Company will reduce its creditors and eliminate future costs related to the BVI Project

11.6 Proceeds from the Sale of the BVI Project will result in a reduction in liabilities by at least A\$1,027,500 and increase in cash by A\$100,000. In addition Nevada Iron will no longer be required to fund annual costs of least US\$150,000 required to maintain the BVI Project which will improve the financial position of Nevada Iron.

Advantage 4 – there is a potential for up to US\$750,000 in deferred payments should the BVI project be developed

11.7 Up to US\$750,000 in deferred payments could be payable to the Company should the BVI Project be developed in the future and the respective production milestones be achieved.

Advantage 5 – the Company will receive additional working capital to develop the Sportshero business

11.8 The Placement, which is a condition precedent to the Proposed Transaction, will provide necessary funds for the Company to meet its immediate working capital requirements and development of the SportsHero business.

Advantage 6 – the Company’s ability to raise funds and attract strategic investors may be improved

- 11.9 The Company’s ability to raise funds and attract strategic investors may be improved once the Proposed Transaction is completed and the Company is able to demonstrate the commerciality of its product on a wider scale, which may lead to increased liquidity of Shares and greater depth of trading than that which is currently available to Shareholders.

Advantage 7 – New Directors will add relevant experience, skills and networks to the Company;

- 11.10 A new profile of experience on the Board will bring with it a different set of skills, networks and strategic value to the Company.

Disadvantages of approving the Proposed Transaction

Disadvantage 1 – change in the nature and scale of activities

- 11.11 The Company will be changing the nature and scale of its activities to become a company principally focussed on the smartphone and sports fantasy industries, which may not be consistent with the objectives of all Shareholders.

Disadvantage 2 – SportsHero is an early-stage business with no operating cash flows

- 11.12 At the time of the Proposed Transaction, SportsHero is an early-stage, start-up business with no operating cash flows and additional funding will likely be required in the future.

Disadvantage 3 - dilution on Non-Associated Shareholders

- 11.13 The Proposed Transaction will result in the issue of Shares to the Lenders which will have a dilutive effect on the holdings of existing Shareholders, reducing their relevant voting interest in the Company to a minimum 15.0% (13.0% fully diluted). Additional funding requirements would have a further dilutive impact.

Disadvantage 4 – MyHero may obtain control of the Company

- 11.14 As a result of the Proposed Transaction, MyHero may obtain an interest of up to 29.0% (21.1% fully diluted) depending on the issue price that the Placement is completed. This means that MyHero may be able to exert greater influence over the Non-Associated Shareholders.

Disadvantage 5 – change in risk profile of the Company

- 11.15 The activities of SportsHero present a different risk and reward profile than the Company has had historically. SportsHero is a start-up software technology company with no trading income and a focus on a relatively unknown and unproven market that is at risk of competition, regulatory change or not achieving the expected results. This new risk profile may not suit all Shareholders.

Alternative Proposal

- 11.16 We are not aware of any alternative proposal at the current time which might offer the Non-Associated Shareholders of Nevada Iron a greater benefit than the Proposed Transaction.

Conclusion on Reasonableness

- 11.17 In our opinion, the position of the Non-Associated Shareholders if the Proposed Transaction is approved is more advantageous than the position if it is not approved. Therefore, in the absence of any other relevant information and/or a superior offer, we consider that the Proposed Transaction is **reasonable** for the Non-Associated Shareholders of Nevada Iron.

11.18 An individual shareholder's decision in relation to the Proposed Transaction may be influenced by his or her individual circumstances. If in doubt, Shareholders should consult an independent advisor.

Yours faithfully

RSM CORPORATE AUSTRALIA PTY LTD

A GILMOUR

A handwritten signature in black ink that reads "Andrew Gilmour".

Director

G YATES

A handwritten signature in black ink that reads "G Yates".

Director



APPENDICES

A. DECLARATIONS AND DISCLAIMERS

Declarations and Disclosures

RSM Corporate Australia Pty Ltd holds Australian Financial Services Licence 255847 issued by ASIC pursuant to which they are licensed to prepare reports for the purpose of advising clients in relation to proposed or actual mergers, acquisitions, takeovers, corporate reconstructions or share issues.

Qualifications

Our report has been prepared in accordance with professional standard APES 225 “Valuation Services” issued by the Accounting Professional & Ethical Standards Board.

RSM Corporate Australia Pty Ltd is beneficially owned by the partners of RSM Australia Pty Ltd (RSM) a large national firm of chartered accountants and business advisors.

Mr. Andrew Gilmour and Mr Glyn Yates are directors of RSM Corporate Australia Pty Ltd. Both Mr Gilmour and Mr Yates are Chartered Accountants with extensive experience in the field of corporate valuations and the provision of independent expert’s reports for transactions involving publicly listed and unlisted companies in Australia.

Reliance on this Report

This report has been prepared solely for the purpose of assisting Shareholders of the Company in considering the Security. We do not assume any responsibility or liability to any party as a result of reliance on this report for any other purpose.

Reliance on Information

Statements and opinions contained in this report are given in good faith. In the preparation of this report, we have relied upon information provided by the Directors and management of Nevada Iron Limited and we have no reason to believe that this information was inaccurate, misleading or incomplete. RSM Corporate Australia Pty Ltd does not imply, nor should it be construed that it has carried out any form of audit or verification on the information and records supplied to us.

The opinion of RSM Corporate Australia Pty Ltd is based on economic, market and other conditions prevailing at the date of this report. Such conditions can change significantly over relatively short periods of time.

In addition, we have considered publicly available information which we believe to be reliable. We have not, however, sought to independently verify any of the publicly available information which we have utilised for the purposes of this report.

We assume no responsibility or liability for any loss suffered by any party as a result of our reliance on information supplied to us.

Disclosure of Interest

At the date of this report, none of RSM Corporate Australia Pty Ltd, RSM, Andrew Gilmour, Glyn Yates, nor any other member, director, partner or employee of RSM Corporate Australia Pty Ltd and RSM has any interest in the outcome of the Proposed Transaction, except that RSM Corporate Australia Pty Ltd are expected to receive a fee of approximately \$30,000 based on time occupied at normal professional rates for the preparation of this report. The fees are payable regardless of Nevada Iron Limited receives Shareholder approval for the Security, or otherwise.

Consents

RSM Corporate Australia Pty Ltd consents to the inclusion of this report in the form and context in which it is included with the Notice of General Meeting and Explanatory Memorandum to be issued to Shareholders. Other than this report, none of RSM Corporate Australia Pty Ltd or RSM Australia Pty Ltd or has been involved in the preparation of the Notice of General Meeting and Explanatory Memorandum. Accordingly, we take no responsibility for the content of the Notice of General Meeting and Explanatory Statement.

B. SOURCES OF INFORMATION

In preparing this Report we have relied upon the following principal sources of information:

- Draft copies of the Notice of Meeting;
- Audited financial statements for Nevada Iron for the years ended 30 June 2014, 30 June 2015 and 30 June 2016;
- Audited financial statements of SportsHero Australia and SportsHero Singapore for the year ended 30 June 2016;
- Copies of the signed Share Purchase Agreement and Share Sale Agreement executed in relation to the Proposed Transaction;
- Copy of the binding heads of agreement relating to the Sale of the BVI Project;
- ASX announcements of Nevada Iron;
- S&P Capital IQ database; and
- Discussions with Directors, management and staff of Nevada Iron and SportsHero Australia and SportsHero Singapore.

C. GLOSSARY OF TERMS

| Term or Abbreviation | Definition |
|---|---|
| \$ | Australian dollar |
| Acquisition | The acquisition by the Company of 100% of the issued share capital of SportsHero Australia and SportsHero Singapore |
| Act | Corporations Act 2001 (Cth) |
| APES | Accounting Professional & Ethical Standards Board |
| ASIC | Australian Securities & Investments Commission |
| ASX | Australian Securities Exchange |
| ASX Listing Rules | The listing rules of ASX as amended from time to time |
| BVI Project or Buena Vista Project | The 100% owned iron ore assets and related property in Nevada, USA owned by Nevada Iron Holdings Pty Ltd |
| Company | Nevada Iron Limited |
| Consideration | Collectively the Initial Consideration and the Deferred Consideration |
| Consolidation | The consolidation of the issued capital of the Company under Resolution 7 of the Notice on a one (1) for two (2) basis. |
| Control basis | As assessment of the Fair Value on an equity interest, which assumes the holder or holders have control of the entity in which the equity is held |
| Convertible Notes | Has the meaning given in note 3 of table 3 of this Report |
| Crosscut Consulting | Independent Specialist |
| Deferred Consideration | Has the meaning given in section 3.5 of this Report |
| Directors | Directors of the Company |
| Explanatory Statement | The explanatory statement accompanying the Notice |
| Fair Value | The amount at which an asset could be exchanged between a knowledgeable and willing but not anxious seller and a knowledgeable and willing but not anxious buyer, both acting at arm's length |
| FME | Future Maintainable Earnings |
| FOS | Financial Ombudsman Service |
| FSG | Financial Services Guide |
| IER | This Independent Expert Report |
| Independent Specialist | Crosscut Consulting |
| Initial Consideration | Has the meaning given in section 3.5 of this Report |
| NVI or Nevada Iron | Nevada Iron Limited |
| NIH | Nevada Iron Holdings Pty Ltd (a wholly owned Australian subsidiary of NVI) |
| Non-Associated Shareholders | Shareholders who are not a party, or associated to a party, to the Proposed Transaction |
| Notice | The notice of meeting to vote on, inter alia, the Proposed Transaction |
| NVI or Nevada Iron | Nevada Iron Limited |
| Option or Options | Unlisted options to acquire Shares with varying vesting conditions |

| | |
|-----------------------------------|--|
| Placement | Has the meaning in section 3.7 of this Report |
| Post Consolidation Option | An Option issued post Consolidation |
| Post Consolidation Share | A Share issued post the Consolidation |
| Proposed Transaction | Collectively the sale of the BVI Project and the Acquisition |
| Report | This Independent Expert's Report prepared by RSM dated 7 October 2016 |
| Resolution | The resolutions set out in the Notice |
| RG 111 | ASIC Regulatory Guide 111 Content of Expert Reports |
| RSM | RSM Corporate Australia Pty Ltd |
| S&P Capital IQ | An entity of Standard and Poors which is a third party provider of company and other financial information |
| Share or Nevada Iron Share | Ordinary fully paid share in the capital of the Company |
| Shareholder | A holder of Share |
| SportsHero | Collectively SportsHero Australia and SportsHero Singapore |
| SportsHero Australia | Sportz Hero Pty Ltd (a company incorporated in Australia) |
| SportsHero business | The social media platform business that functions as a real time fantasy sport and social prediction app |
| SportsHero Singapore | Sportshero Enterprise Pte Ltd (a company incorporated in Singapore) |
| VALMIN Code | Australasian Code for Public Reporting of Technical Assessments and Valuations of Mineral Assets (2015) |
| VWAP | Volume weighted average share price |

D. ESSENTIAL RESOLUTIONS

1. RESOLUTION 1A – DISPOSAL OF MAIN UNDERTAKING

To consider and, if thought fit, to pass, with or without amendment, the following Resolutions 1A and 1B as **ordinary resolutions**:

"That, subject to the passing of Resolutions 1B, 4A, 4B and 4C, for the purposes of ASX Listing Rule 11.2 and for all other purposes, approval is given for the Company to sell 100% of the issued capital of Nevada Iron Holdings Pty Ltd (Disposal) on the terms and conditions described in the Explanatory Statement accompanying this Notice of Meeting."

2. RESOLUTION 1B – DISPOSAL OF MAIN UNDERTAKING

"That, subject to the passing of Resolutions 1A, 4A, 4B and 4C, for the purposes of Chapter 2E of the Corporations Act, ASX Listing Rule 10.1 and for all other purposes, approval is given for the Company to pay the Disposal Consideration to the Purchasing Parties in consideration for the Disposal on the terms and conditions described in the Explanatory Statement accompanying this Notice of Meeting."

3. RESOLUTION 4A – APPROVAL FOR ACQUISITION OF 100% OF SPORTZ HERO PTY LTD AND 83.33% OF SPORTSHERO ENTERPRISE PTE LTD

To consider and, if thought fit, to pass, with or without amendment, the following Resolutions 4A, 4B and 4C as an ordinary resolutions:

"That, subject to the passing of Resolutions 1A, 1B, 4B, 4C, 7 and 8, for the purposes of ASX Listing Rule 11.1 and for all other purposes, Shareholders approve the acquisition by the Company of 100% of the issued capital of Sportz Hero Pty Ltd and 83.33% of Sportshero Enterprise Pte Ltd (Acquisition) in accordance with the terms of the Share Purchase Agreement and the Share Sale Agreement (collectively the Agreements) and otherwise on the terms and conditions in the Explanatory Statement."

4. RESOLUTION 4B – APPROVAL FOR ISSUING THE CONSIDERATION

"That, subject to the passing of Resolutions 1A, 1B, 4A, 4C, 7 and 8, for the purposes of ASX Listing Rule 7.1 and for all other purposes, Shareholders approve the issue of 96,000,000 Post Consolidation Shares and 72,000,000 Options (Consideration) pursuant to the terms of the Agreements and otherwise on the terms and conditions in the Explanatory Statement."

5. RESOLUTION 4C – APPROVAL FOR ISSUING THE MYHERO CONSIDERATION

"That, subject to the passing of Resolutions 1A, 1B, 4A, 4B, 7 and 8, for the purposes of section 611 (Item 7) of the Corporations Act and for all other purposes, Shareholders approve the issue of 60,000,000 Post Consolidation Shares (such Post Consolidation Shares forming part of the Consideration) to MyHero Limited (or nominee) (MyHero Consideration), which could result in MyHero Limited's voting power in the Company being 29.01% and otherwise on the terms and conditions in the Explanatory Statement."

6. RESOLUTION 5 – CHANGE OF COMPANY NAME

To consider and, if thought fit, to pass, with or without amendment, the following Resolution as a special resolution:

"That, subject to and conditional upon the passing of Resolutions 4A, 4B and 4C and completion of the Acquisition, for the purposes of section 157(1)(a) of the Corporations Act and for all other purposes, approval is given for the name of the Company to be changed to SportsHero Limited."

7. RESOLUTION 6 – ISSUE OF SHARES TO SUNSHORE HOLDINGS PTY LTD

To consider and, if thought fit, to pass, with or without amendment, the following Resolution as an ordinary resolution:

"That, subject to and conditional upon the completion of the Acquisition, for the purposes of ASX Listing Rule 7.1 and for all other purposes, approval is given for the Company to issue 12,500,000 Post Consolidation Shares to Sunshore Holdings Pty Ltd (or nominee) and otherwise on the terms and conditions set out in the Explanatory Statement."

8. RESOLUTION 7 – CONSOLIDATION OF CAPITAL

To consider and, if thought fit, to pass, with or without amendment, the following Resolution as an ordinary resolution:

"That, subject to and conditional upon the passing of Resolutions 4A, 4B, 4C and 8 and completion of the Acquisition, pursuant to section 254H of the Corporations Act and for all other purposes, the issued capital of the Company be consolidated on the basis that every two (2) Shares be consolidated into one (1) Share and, where this Consolidation results in a fraction of a Share being held, the Company be authorised to round that fraction up to the nearest whole Share."

9. RESOLUTION 8 – SHARE PLACEMENT BY PROSPECTUS

To consider and, if thought fit, to pass, with or without amendment, the following Resolution as an ordinary resolution:

"That, subject to and conditional upon the passing of Resolutions 4A, 4B, 4C and 7 and completion of the Acquisition, for the purposes of ASX Listing Rule 7.1 and for all other purposes, approval is given for the Company to issue up to 175,000,000 Post Consolidation Shares under the Prospectus and otherwise on the terms and conditions set out in the Explanatory Statement."

10. RESOLUTION 9 – ELECTION OF DIRECTOR – HOWARD DAWSON

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an ordinary resolution:

"That, subject to the passing of Resolutions 4A, 4B, 4C, 7 to 8, for the purpose of clause 11.7 of the Constitution and for all other purposes, Mr Howard Dawson, being eligible to act as a Director, be elected as a Director with effect from the date of completion of the Acquisition."

11. RESOLUTION 10 – ELECTION OF DIRECTOR – DINESH BHATIA

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an ordinary resolution:

"That, subject to the passing of Resolutions 4A, 4B, 4C, 7 to 8, for the purpose of clause 11.7 of the Constitution and for all other purposes, Mr Dinesh Bhatia, being eligible to act as a Director, be elected as a Director with effect from the date of completion of the Acquisition."

E. WACC ASSESSMENT

When assessing an appropriate discount rate to use in a discounted cash flow valuation, due regard must be given to the rates of return available in the marketplace, the degree of risk attached to the business, shares or project and the required rate of return.

Businesses are normally funded by a mix of debt and equity. The Weighted Average Cost of Capital ("WACC") is a widely used and accepted basis to calculate the "representative" rate of returns required by debt and equity investors. We have applied the WACC methodology to determine an appropriate discount rate to be used in assessing the Fair Value of the Deferred consideration payable to Nevada Iron as part of the disposal of the BVI Project.

The Capital Asset Pricing Model ("CAPM") is the most frequently used model in determining the cost of equity of an investment or project and the required rate of return for debt funding is determined having regard to current borrowing costs and prevailing credit ratings. The cost of equity and cost of debt are weighted by the respective proportions of equity and debt funding to arrive at the WACC.

WACC

We have applied a post-tax nominal discount rate on the assumption that Nevada Iron would be able to offset any tax payable on the Deferred Consideration through prior losses.

The generally accepted WACC formula is shown below:

$$WACC = \left[R_e \times \frac{E}{V} \right] + \left[R_d \times (1 - t_c) \times \frac{D}{V} \right]$$

Where:

WACC = post tax weighted average cost of capital

Rd = required rate of return on debt or cost of debt

Re = required rate of return on equity or cost of equity

tc = Corporate tax rate

E = Market value of equity

D = Market value of debt

V = Market value of debt and equity capital

CAPM

The CAPM is based on the theory that the prudent investor will price investments so that the expected return is equal to the risk free rate of return plus a premium for risk. CAPM assumes that there is a positive relationship between risk and return; that is, investors are risk averse and therefore demand higher returns for accepting higher levels of risk.

The CAPM calculates the cost of equity through the following formula:

$$R_e = R_f + \beta[E(R_m) - R_f]$$

Where:

Re = Cost of equity capital or expected return on the investment.

Rf = Risk free rate of return.

E(Rm) = Expected return on the market.

E(Rm) - Rf = Market risk premium

β = Beta

We have considered each component of the CAPM below.

Risk free rate - R_f

We have assumed a risk free rate of 2.00% being the average yield on the 10-year Australian Government Bond for the last 10 years, as published by the RBA. We have used the 10-year bond rate as this is typically used as a proxy for the long-term risk-free rate.

Market Risk Premium – $E(R_m) - R_f$

Market risk premium represents the level of return investors require over and above the risk free rate in order to compensate them for the non-diversifiable risks associated with an investment in a market portfolio. Strictly speaking, the market risk premium is equal to the expected return from holding shares over and above the return from holding risk-free government securities.

Various empirical studies undertaken in Australia and overseas show that historical market risk premiums vary across markets; the Australian market is generally in line with the overall range of other developed countries but is slightly higher than the world average.

Having regard to this information, we have assumed a market risk premium of between 6% and 7% in our determination of the discount rate.

Beta - β

The beta coefficient measures the systematic risk of the company compared to the market as a whole. A beta of 1 indicates that the company's risk is comparable to that of the market.

The choice of a beta requires judgement and necessarily involves subjective assessment as observations of beta in comparable companies may be subject measurement issues and other variations. Accordingly, depending upon circumstance, a sector average, or a basket of comparable companies may present a more reliable beta, rather than relying on a single comparable company.

Beta can be expressed as an equity beta (which includes the effect of gearing on equity returns) or as an asset beta (where the impact of gearing is removed). The asset beta will be lower than the equity beta for any given investments, with the difference dependent upon the level of gearing in the capital structure.

The selection of an appropriate beta involves a degree of professional judgement, particularly where the performance drivers of the company being valued are not directly aligned with the most comparable listed companies.

The comparable company data included in the table below illustrates the observed beta coefficients for public listed companies we consider most comparable to Nevada Iron. In assessing companies comparable to the Nevada Iron, we have considered companies involved in energy resources industry in Australia, whose securities are listed on the Australian Securities Exchange.

The ungeared equity beta's for the companies selected ranged from a low of 1.21 to a high of 1.89, with an average of 1.65 as set out in the table below.

| Company Name | Ticker | Market Cap | Debt / Market Cap | Unlevered Beta |
|---|---------|-------------|-------------------|----------------|
| Hawthorn Resources Limited | ASX:HAW | 8.7 | 0.00% | 1.21 |
| Bilina Minerals NL | ASX:BDI | 2.5 | 0.00% | 1.89 |
| South American Iron & Steel Corporation Limited | ASX:SAY | 2.7 | 14.55% | 1.51 |
| Argonaut Resources NL | ASX:ARE | 8.5 | 0.00% | 1.71 |
| Apollo Minerals Limited | ASX:AON | 5.6 | 0.00% | 1.73 |
| Haranga Resources Limited | ASX:HAR | 2.0 | 0.00% | 1.87 |
| Mean | | 5.02 | 2.4% | 1.65 |

Source: S&P's Capital IQ as at 5 August 2016.

We provide descriptions of the comparable companies in the table below.

| Company Name | Business Description |
|---|---|
| Hawthorn Resources Limited (ASX:HAW) | Hawthorn Resources Limited engages in the exploration and development of mineral properties in Australia. It explores for gold, iron ores, and diversified base metals. The company holds tenement holdings in the Central Yilgarn iron province and the South Laverton gold zone of Western Australia. Hawthorn Resources Limited is based in Melbourne, Australia. |
| Blina Minerals NL (ASX:BDI) | Blina Minerals NL engages in the exploration, evaluation, and development of mineral properties in West Africa. It explores for coal, copper, gold, manganese, and iron ore properties. The company holds interest the Diakouli Gold project located in Burkina Faso. It also holds interests in coal and copper projects in Mongolia, as well as copper assets located in the Democratic Republic of the Congo. The company was formerly known as Blina Diamonds NL and changed its name to Blina Minerals NL in March 2011. Blina Minerals NL is based in West Perth, Australia. |
| South American Iron & Steel Corporation Limited (ASX:SAY) | South American Iron & Steel Corporation Limited, together with its subsidiaries, explores and develops iron sand projects in South America. The company is based in Sydney, Australia. |
| Argonaut Resources NL (ASX:ARE) | Argonaut Resources NL acquires, explores, and develops mineral properties. The company primarily explores for copper, as well as gold, zinc, cobalt, and iron oxide. It engages in the exploration of Alford and Torrens projects in South Australia; zinc-copper at Mt Kroombit in Central Queensland; and copper at the flagship Lumwana West Project in Zambia. Argonaut Resources NL is based in Sydney, Australia. |
| Apollo Minerals Limited (ASX:AON) | Apollo Minerals Limited explores and develops mineral resources in Australia and Africa. The company explores for iron, base and precious metals, nickel, and gold, as well as platinum group elements. Its projects include the Fraser Range nickel province located in southeastern Western Australia; the Mars Aurora Tank project situated in the Gawler Craton, South Australia; Eaglehawk project located in South Australia; Commonwealth Hill project situated in South Australia; and the Kango North project located in Gabon. The company is based in Sydney, Australia. |
| Haranga Resources Limited (ASX:HAR) | Haranga Resources Limited engages in the exploration and development of iron ore projects in Mongolia. It holds an 80% interest in the Selenge iron ore project with 6 contiguous licenses covering 16,790 hectares located in Darkhan and Selenge provinces. The company was incorporated in 2009 and is based in Perth, Australia. |

Source: S&P's Capital IQ as at 30 August 2016.

Cost of debt

We have assumed that the best capital structure for an exploration company such as Nevada Iron is a debt to enterprise value of 0%. 100% equity funding is preferable for a company of this type until a time that debt funding can be serviced from sustained, or anticipated and likely trading income.

WACC summary

We set out the detailed calculation of the WACC in the table below.

| Calculations | | Min | Max |
|---------------------------|--------|---------|---------|
| Unlevered Beta | # Num | 1.653 | 1.653 |
| Marginal Tax Rate | % p.a. | 30.00% | 30.00% |
| Target Capital Structure: | | | |
| Debt | % | - | - |
| Equity | % | 100.00% | 100.00% |
| D/E | % | - | - |
| Levered Beta | # Num | 1.653 | 1.653 |

| | | | |
|--------------------------|--------|--------------|--------------|
| Risk Free Rate (BBSY) | % p.a. | 2.00% | 2.00% |
| Margin | % p.a. | 6.00% | 6.00% |
| Pre-tax cost of Debt | % p.a. | 8.00% | 8.00% |
| Post-Tax cost of Debt | % p.a. | 5.60% | 5.60% |
| Risk Free Rate (BBSY) | % p.a. | 2.00% | 2.00% |
| Market Risk Premium | % p.a. | 6.00% | 7.00% |
| Alpha (specific premium) | % p.a. | 5.00% | 10.00% |
| Cost of Equity | % p.a. | 16.9% | 23.6% |
| Calculated WACC | % p.a. | 16.9% | 23.6% |
| Say | | 20% | |

We have applied a company specific risk range of 5%-10% giving consideration to Nevada Iron as an exploration company and the low probability that the BVI Project will be successfully developed in the foreseeable future based on forecast commodity prices.

Based on the assumptions set out above, we have assessed the post-tax nominal WACC to be at or around 20%

F. INDEPENDENT SPECIALIST REPORT

Nevada Iron Limited

Buena Vista Iron Ore Project

Independent Valuation of Mineral
Resources and Exploration Properties

Effective date: 30 June 2016

Author

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Crosscut Consulting

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A.C.N. 006 972 907



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1 EXECUTIVE SUMMARY

The Buena Vista Iron Ore Project is a pre-development magnetite project consisting of multiple deposits in Nevada, USA. Crosscut Consulting was commissioned by RSM Corporate Australia Pty Ltd to prepare a technical project review and independent valuation. Table 1.1 summarises the Project's key parameters and finding from the Preliminary Feasibility Study completed in 2013.

Table 1.1 - Buena Vista Iron Project – Preliminary Feasibility Study Summary Facts and Statistics

| Category | Description |
|---|---|
| Property Name | Buena Vista |
| Company Name | Nevada Iron LLC |
| Owner | Nevada Iron Limited |
| Land Position | Public and Private Claims, BLM |
| Nearest Population Centre | Lovelock, Nevada, USA |
| Project Location | 35 km (22 miles) south east of Lovelock |
| Topography | Low Hills |
| Climate | Arid Desert |
| Historic Production | 1951 – 1958 approx. 983,000 tons |
| Reason for NI 43-101 Technical Report | Material Changes to the Mineral Resources and Mineral Reserves; updated mine plan |
| Mineralization Type | Magnetite |
| Estimation Type | Ordinary Kriging for Fe |
| Indicated Mineral Resource | 148.7Mt at 18.8% Fe |
| Inferred Mineral Resource | 28.9Mt at 19.6% Fe |
| Mine Life | 13 Years |
| Probable Mineral Reserve | 111.2Mt at 18.6% Fe |
| Mining Method | Open Pit, 100t Haul Trucks, Wheel Loaders |
| Processing Method | Crushing, milling, magnetic separation |
| Overall Processing Recovery | 75.5% |
| Concentrate grade | 68.1% Fe |
| Concentrate Selling Price | US\$104.29/dmt FOB West Sacramento |
| Mining Cost | US\$2.13/tonne mined |
| Processing Cost | US\$3.59/ROM tonne |
| Concentrate transport to rail (trucks pipeline) | US\$5.06/wmt US\$0.53/wmt |
| Rail Freight | US\$15.00/wmt |
| Port costs | US\$8.28/wmt |
| Total Operating Cost (LOM average) | US\$61.62/dmt of concentrate |
| Pre-tax Cash Flow | US\$565 million |
| Pre-tax Net Present Value at 7.5% | US\$236 million |

The applicable valuation date is 30th July 2016. The Report has been prepared in accordance with the Code and Guidelines for Assessment and Valuation of Mineral Assets and Mineral Securities for Independent Expert Reports ("VALMIN Code").

Crosscut has chosen to use the Market Value ('comparable transactions') method as the primary approach to value the project. The selected transactions indicate a range of United States Dollar (US\$) values for the project from **\$1.0M to \$5.5M** with Crosscut's **Preferred Value being \$1.7M**.

A preferred value towards the lower end of the range was chosen to reflect the relatively low-grade of the deposits and the limited infrastructure solutions currently available for the transport and shipping of ore.

As a cross check, the Appraised Value method, employing multiples of past exploration expenditure, was also used to assess value. This approach indicated a range of values from US\$25M to US\$33M with a preferred value of \$28M. Crosscut concluded that this result does not provide a reasonable comparison with comparable transactions as it ascribes too high a value to the project and it does not reflect the current iron ore price and basic condition of market oversupply.

2 INTRODUCTION

At the request of RSM Corporate Australia Pty Ltd, Crosscut Consulting (X-Cut) has undertaken a valuation of mineral resources at Nevada Iron Limited's (NVI) Buena Vista (BV) Iron Ore Project, located in Nevada, USA, for inclusion in an Independent Expert's Report relating to the disposal of the Buena Vista Project.

The material data for the project area is discussed in the Report and tenement details are provided in Appendix 1, and summarised in the relevant sections below. X-Cut understands that the project tenements are held in good standing at the time of this Report. X-Cut makes no other assessment or assertion as to the legal title of tenements and is not qualified to do so.

2.1 DECLARATIONS

2.1.1 Compliance with the VALMIN Code 2015

This Valuation has been prepared in accordance with the VALMIN Code 2015, which is binding upon Members of the Australasian Institute of Mining and Metallurgy ("AusIMM") and the Australian Institute of Geoscientists ("AIG").

2.1.2 Author of the Report

This report has been prepared by Crosscut Consulting, a privately owned consulting company. The author is Declan Franzmann, director of X-Cut.

Mr Franzmann, B. Eng (Mining), FAusIMM (CP) has more the 25 years of global experience in the exploration and mining industry, covering a number of commodities including iron. Mr Franzmann has the relevant qualifications, experience, competence and independence to be considered an "Expert" under the definitions provided in the VALMIN Code and a "Competent Person" as defined in the JORC Code.

2.1.3 Independence

X-Cut is an independent geological and mining consultancy. This Report is prepared in return for professional fees based upon agreed commercial rates and the payment of these fees is in no way contingent on the results of this Report. The fee for the preparation of this Report is approximately \$7,000 which will be paid by NVI.

Neither X-Cut, nor the author of this Report, has any material interest in NVI or the mineral properties in which NVI has an interest. No member or employee of X-Cut is, or is intended to be, a director, officer or other direct employee of NVI. The author of this Report does not have any shareholding in NVI.

X-Cut's relationship with NVI is solely one of professional association between client and independent consultant. X-Cut has had prior dealings with NVI as an independent consultant dating back to 2013 and the completion of the Preliminary Feasibility Study for the BV Project.

2.2 DISCLAIMER

This report relies upon discussions with the management of NVI, technical information pertaining to the project areas compiled by NVI and supplied to X-Cut and publicly available information. This information included data from previous exploration activities, published and internal technical and various other reports. For the purpose of this valuation, site visits were not undertaken to the project areas. X-Cut is familiar with and has previous experience with the styles and location of mineralisation considered in this report. Furthermore, NVI has advised X-Cut that there has been no material development in the project areas on which to form an opinion over and above that presented in the technical information provided. On this basis, a field visit was not considered warranted.

A draft version of this report was provided to NVI along with a request to confirm that there are no material errors or omissions in the report and that the information in the report is factually accurate. Confirmation of those terms has been provided in writing and has been relied upon by X-Cut.

This report is provided subject to the following assumptions and qualifications:

- NVI has made available to X-Cut all material information in its possession or known to it in relation to the technical, development, mining and financial aspects of the project areas, and that NVI has not withheld any material information and that information is accurate and up to date in all material respects;
- all reports and other technical documents provided by NVI correctly and accurately record the result of all geological and other technical activities and testwork conducted to date in relation to the project areas and accurately record any advice from relevant technical experts;
- NVI has good and valid title to all tenements or other land tenure required to explore, develop, mine and operate within the project areas in the manner proposed;
- all necessary governmental consents and approvals (including those regarding environmental issues) required to manage production from the project areas had been obtained or are forthcoming without any material delay and on terms which will not cause any material change to any mining, exploration or other activities proposed and which will not cause any material change to the costs of such activities;
- all of the information provided by NVI pertaining to project areas or their history or future intentions, financial forecasting or the effect of relevant agreements is correct and accurate in all material respects;

- it is assumed that macro or other economic conditions will not cause any material change to the prices expected to be obtained for the mineral products expected to be produced and marketed from the project.

In relation to the above qualifications, X-Cut has not undertaken any independent enquiries or audits to verify that the assumptions are correct and gives no representation that the assumptions are correct. X-Cut has however endeavoured, by making reasonable enquiry of NVI to ensure that all material information in the possession of NVI has been fully disclosed to X-Cut. X-Cut has not carried out any type of audit of NVI's records to verify that all material documentation has been provided. NVI has agreed to indemnify X-Cut from any liability arising from X-Cut's reliance upon information provided or not provided to it.

3 BUENA VISTA IRON PROJECT

3.1 LOCATION

Buena Vista is located in the US state of Nevada, at latitude 039°58' 17.26" north and longitude 118°10' 06.16" west at an elevation of 1,311 m (4,300 feet) above sea level. The nearest major cities are Reno, 160 km (100 miles) west-south-west and San Francisco, which lies approximately 450 km (280 miles) to the south-west of the Buena Vista project.

Figure 3.1 – Project Location



3.2 MINERAL TENURE

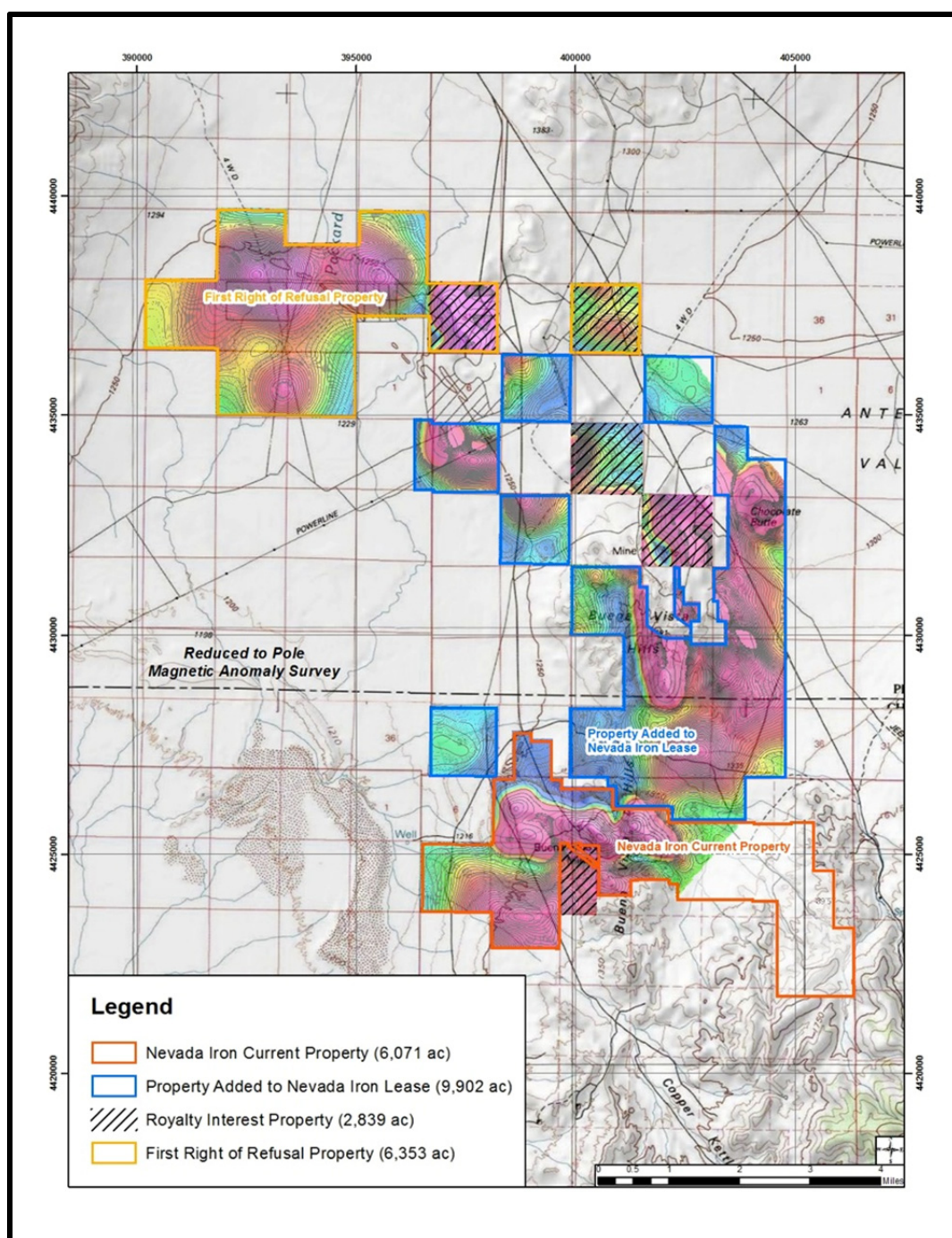
The project contains mineral rights over 548 separate claims covering an area of 16,386 acres (66km²), consisting of patented mining claims, former railroad fee title land and other unpatented claims. A full list of mineral tenements is provided in Appendix 1.

Patented Claims are those located on privately held ground and are also described as "fee simple" lands. The United States Mining Law of 1866/72 codified and offered the opportunity of a claim locator under certain conditions the ability to obtain a mineral survey of their claims and apply for a patent deed. The

mining claims, when patented became fee lands and all rights of ownership granted by the patent deed from the United States became the property of the patented mining claim owner.

An unpatented claim is best described as a mineral lease on publicly owned land and is administered by the US Department of the Interior, Bureau of Land Management (BLM) through regional offices. Unpatented mining claims became an ownership concept in United States real estate pursuant to the United States mining law of 1872. The ownership right of an unpatented claim is a conditional ownership that runs annually based upon provisions and regulations of the law and the BLM regulations. An unpatented mining claim is subservient to fee lands (patented mining claims) and cannot acquire any rights from the fee land owner. The owner of an unpatented mining claim currently pays an annual fee to the BLM of \$140 per claim. Failure to pay the annual fee will result in the forfeiture of the claim.

Figure 3.2 – Plan of mining concessions



3.2.1 Agreements

In January 2010 Nevada Iron entered into an option to purchase 100% of the equity in the project and in June 2011 this option was exercised. The purchase price of US\$6,000,000 was satisfied by the payment of US\$3,000,000 in cash and by the issue of fully paid ordinary shares in the capital of Nevada Iron. Nevada Iron LLC ("LLC"), a 100% owned subsidiary of Nevada Iron, now owns 100% of the Project and the vendor (Kircher Mine Development LLC) retains a 20% beneficial and net profits interest ("NPI"). The Company purchased a total of 2,457Ha (6,071 acres) of mining claims.

On the September 4, 2013 NVI announced that it had entered an agreement to lease a further 4,015 Ha (9,921 acres) of neighbouring tenements for total consideration of \$2,841,044, to be settled by the issuance of 19,090,536 shares, at the deemed issue price per share of \$0.14, and 35,714,286 warrants each with a two year term and exercise price of \$0.28 and \$168,369 in cash.

3.2.2 Environmental and heritage liabilities

For the purpose of this valuation, X-Cut has not undertaken a detailed assessment of environmental and heritage liabilities (if any) within NVI's project areas and has based its assumptions on information provided by NVI which indicate that there are no environmental liabilities at present.

3.3 GEOLOGY

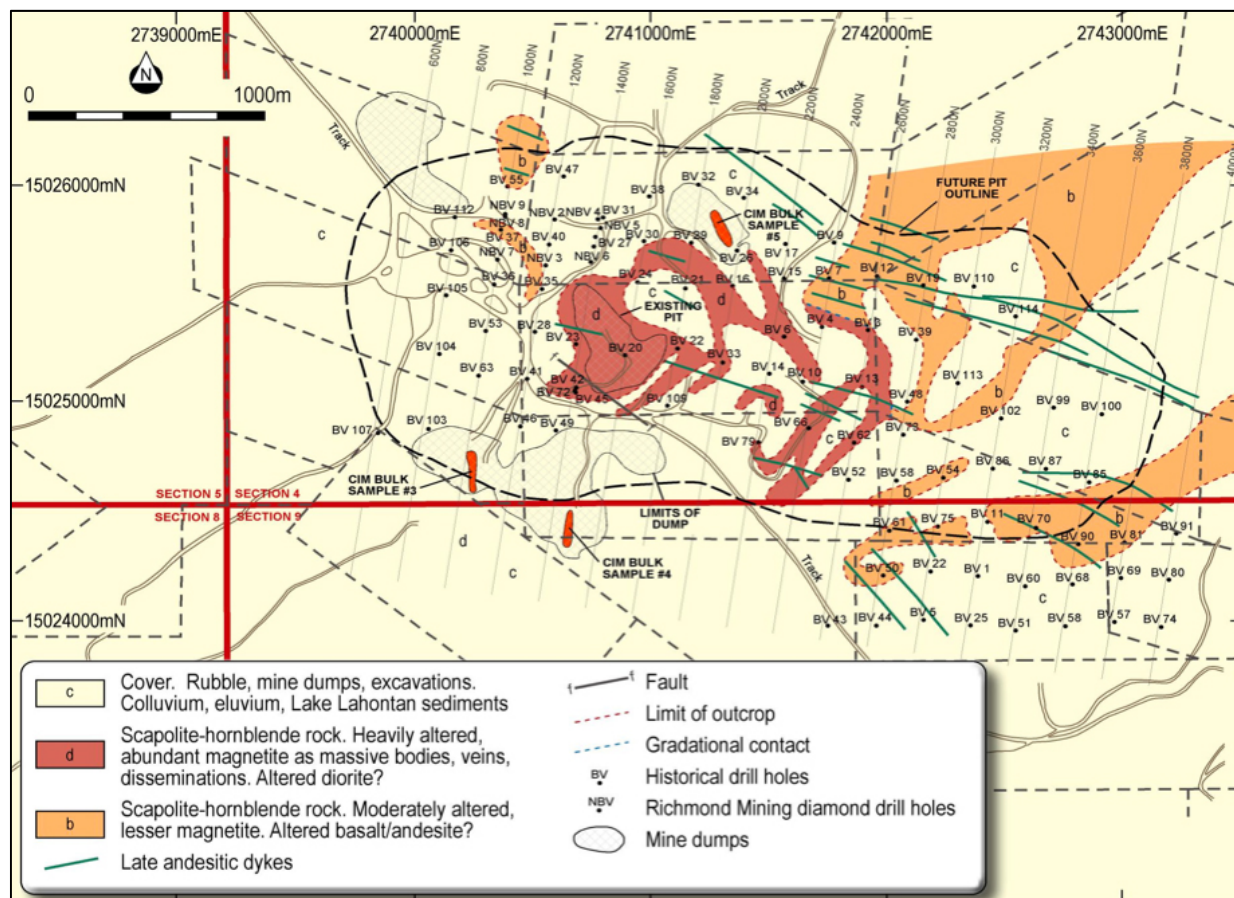
The general geology of the Buena Vista area consists of basaltic volcanic rocks of Jurassic age that are intruded by a partially scapolitised gabbroic complex. Tertiary deposits are faulted against the Jurassic rocks in the eastern part of the area. Away from the hills of volcanic rock, much of the older geology is obscured by surficial deposits.

The principal magnetite deposits in the Mineral Basin District occur in a large body of rock made up of the assemblage scapolite-brown hornblende-clinopyroxene-calcite-magnetite, which can contain up to 90% scapolite. The contact of the scapolite rock with the overlying volcanic rock is poorly exposed and might indicate that the scapolite rock intrudes the volcanic rocks.

Leucocratic dykes cut the scapolitic gabbro in the vicinity of the Buena Vista workings. The majority of these dykes trend northwest and are steeply dipping, commonly occurring in swarms. They tend to be narrow, only 1 metre or so in width, but often can be traced for distances of up to 300 metres.

The proposed mining area around the West ore body occurs in the contact zone between the intrusive diorite-gabbro and overlying basalt-andesite. The intrusive rocks and adjacent meta-volcanics have been highly scapolitised and, in the vicinity of the magnetite rich zones, chloritised. Post-mineralisation dykes cut both the diorite-gabbro and the meta-volcanic rocks.

Figure 3.3 - Geology of Central Pit Area



3.4 MINERALISATION

The Buena Vista magnetite deposits formed as the result of metasomatic processes associated with the intrusion of the large Humboldt Gabbro lopolith. As such, they have similarities to the large, high grade magnetite deposits of Kiruna in Sweden and Savage River in Tasmania.

The magnetite ore at Buena Vista occurs as high grade pods, veins and disseminations within a heavily altered volcanic rock, now mostly represented by scapolite and hornblende. Grades can be very high, with assays recording iron contents of over 66% Fe.

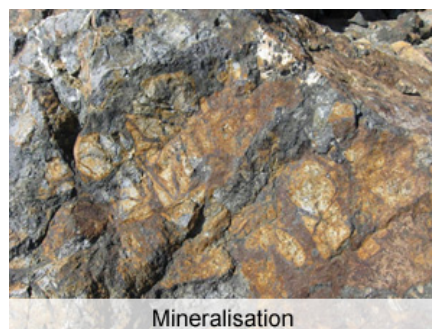
Much of the magnetite at Buena Vista is liberated at relatively coarse sizes. This allows for a considerable upgrading by the removal of near barren material during the early stages of processing, reducing costs and allowing lower grade material to be utilised.

Figure 3.4 – high grade mineralisation



Mineralisation

Figure 3.5 – brecciated mineralisation



Mineralisation

3.5 EXPLORATION

3.5.1 Historical Production

The Mineral Basin Mining District is located in and around the Buena Vista Hills in an area bounded to the north by the West Humboldt Range, to the south by the Stillwater Range, to the west by the Carson Sink and to the east by the Buena Vista Valley and the Humboldt Range.

The Mineral Basin Mining District includes primarily iron oxide properties. Outcropping magnetite bodies were discovered by the first settlers to traverse the area. Claims for the Buena Vista Iron Ore mine were originally staked in 1898. Sixteen of the claims were patented to Mary Conkling in 1901. The claims were bought and sold numerous times between private individuals until they were transferred to Mineral Materials Company in 1958.

Iron ore was first mined in the Mineral Basin District in the 1880's. However, it was not until World War II that significant quantities of ore were mined. The U.S. Bureau of Mines (the Bureau) conducted an investigation of the district, between 1942 and 1945, including the Buena Vista area. The Bureau trenched and drilled three shallow holes on the Iron Mountain claim held by Mineral Materials Co. A resource estimate of 350,000 tons of ore averaging 54% Fe was calculated within the small (460 ft x 240 ft) area tested by drilling and trenching (Kral, 1947).

The Nevada Bureau of Mine, Bulletin 53, Iron Ore Deposits of Nevada, Part A, provides a description of the geography, geology, field work and production of the Mineral Basin mines through 1952. The following summarizes the production as of that time: Buena Vista Mine, which operated from October 1951 to January 1953 – 283,000 tons; Segerstrom-Heizer Mine, which began production in 1943 – 235,939 tons; Thomas Mine, which began large scale mining in 1950 – 31,000 tons; and American Ore Co. Mine, which began large scale mining in 1952 – 12,000 tons.

In 1958, Mineral Materials constructed a crushing and dry-magnetic beneficiation plant to process ore from the West deposit. The plant processed about 300,000 tons of ore and produced 150,000 tons of shipping ore containing >56% Fe. Approximately 550,000 tons of low-grade ore was stockpiled. Approximately 400,000 tons of ore grade material had been stockpiled from the 1952 operation, bringing the total stockpile to 950,000 tons averaging 32.3% Fe (McCullough and Wright, 1958a).

Columbia Iron Mining Company purchased the claims from Mineral Materials in 1960 and subsequently patented additional claims in 1972 and 1984. In 2004, RGGS Land and Minerals Ltd, L.P. purchased the Buena Vista properties from U.S. Steel. In 2007, Kircher Mine Development LLC (KMD) acquired the claims from RGGS. KMD held mineral rights to 1334.6 acres of leased private land (patented mining claims and former railroad fee-title land), plus 70 unpatented mining claims covering 1,446 acres.

In 2010 Richmond Mining Ltd, which changed its name to Nevada Iron Ltd in 2012, obtained the leases from KMD.

3.5.2 Historical Exploration

There is a significant quantum of historical information available for the project area and surrounding areas. This includes geological mapping and sections, geophysical data, metallurgical test work, hydrologic studies and engineering plans.

Various drilling campaigns have been conducted in the region and the project area since. In the 1960s, Columbia Iron Mines completed drilling in the West deposit on 60 m sections both along-strike and across-strike, with the majority of holes drilled at a dip of 45° towards 188°. Drillhole depths vary from 54 m to 334 m, with an average depth of 161 m. Downhole surveys for historical holes were measured for dip only by a Tropari instrument.

The 1960 drilling by Columbia Iron Mines has been thoroughly documented and detailed geological logs with accompanying collar information and iron assays are available. Prior to 1960, Southern Pacific completed drilling over the West, Section 5, and East deposits in 1957 and 1958.

Data from the 1960s phase of drilling have been incorporated into this resource estimate, whereas data from earlier drilling campaigns were not used.

Table 3.1 – Historic exploration and development activities

| Period | Company | Work Carried Out |
|-----------|--------------------------------------|---|
| 1951–1952 | Mineral Materials | Ground magnetic survey in Section 4, Section 5, and Section 9, with one hole (MM-11) drilled in West deposit. |
| 1953 | Columbia Iron Mining Co | Fixed-wing aeromagnetic survey of the district. |
| 1955 | Southern Pacific | Geological reconnaissance of the Mineral Basin district geologic mapping ground magnetic surveys – West deposit. |
| 1957 | Southern Pacific | Detailed ground magnetic survey in Section 5, 30 core holes (SP5 1–30) on 30 m grid in Section 5 defined resource of 7.7 million tonnes @ 26.2% Fe. |
| 1958 | Southern Pacific & Mineral Materials | Southern Pacific & Mineral Materials formed joint venture (JV); ground magnetic surveys geologic mapping 56 core holes – 6,592 m ('M' series holes), metallurgical testing, and ore reserve calculations "ore potential" of 59.4 million tonnes @ 26.9% Fe; feasibility study for pellet plant by Bechtel Corp. |
| 1959 | Columbia Iron Mines | Columbia Iron Mines (U.S. Steel subsidiary) acquired JV lands; ground magnetic survey on the Iron Point claims est. 206,000 tonnes of magnetite based on magnetic anomaly pelletising tests. |
| 1960 | Columbia Iron Mines | Helicopter magnetic survey. Ground magnetic surveys of Ute & Fisk areas detailed geologic mapping (1"=100'). Core drilling (114 holes – 54,600 m) West deposit, South Central deposit, and East deposit; metallurgical testing. - Davis Tube magnetic concentrate analyses - Liberation studies - Pilotac grindability - Trace element analyses - Petrographic examinations - Beneficiation studies Water resource study utilizing seismic surveys ore reserve calculations. |
| 1963 | U.S. Steel | U.S. Steel acquired its subsidiary, Columbia Iron Mines, in a merger. |
| 1961–1967 | U.S. Steel | Twenty-four assessment holes (BV 115–126, IM 1–10, IP–1, BVP-2). |
| 1968 | U.S. Steel | Liberation studies on core from 1964 and 1966 drilling. |
| 1969 | Southern Pacific | Japanese company, Itoh, investigated acquisition - Sinter feasibility study - Port study |
| 1971 | Standard Slag | Standard Slag proposed JV with U.S. Steel to mine and process 1.35 million tonnes / year of concentrates. |
| 1975 | U.S. Steel | New resource calculations recommendation for further drilling to define reserves pelletizing plant studies (Gribble). Economic evaluation (Dankocsik). |
| 1977 | U.S. Steel | Ground magnetic survey in outlying areas. |
| 1977–1979 | U.S. Steel | One-hundred-and-nine core holes drilled in Section 5, Section 8, |

| Period | Company | Work Carried Out |
|--------|---------------------|--|
| | | and Section 31. U.S. Steel obtained 150-day Prospecting Permit for Southern Pacific lands. |
| 1989 | U.S.X. (U.S. Steel) | Seven rock-chip samples analysed for Au, Ag, As, Sb. |
| 2010 | Richmond Mining | Eight diamond drillholes in West deposit, totalling 4,209 m. |
| 2012 | Nevada Iron | Section 5 deposit – 50 RC drillholes 21,895 m, 12 diamond drillholes 6,644 m, West deposit 29 RC drillholes, 16,861 m and seven diamond drillholes, 3,565 m. |

Geophysical Exploration

Fixed-wing and helicopter aeromagnetic surveys have been completed over the project area. These surveys delineated strong positive magnetic anomalies associated with the magnetite bodies. Follow-up detailed ground magnetic surveys were conducted to refine the airborne anomalies, estimate depth to mineralisation, and define drilling targets.

Gravity surveys were employed in covered areas to estimate thickness of overburden and to estimate densities (correlated with Fe content).

Studies were also completed on modelling the magnetic anomalies to predict the tonnage and grade of deposits. (Cuffney, p. 11).

3.5.3 Recent Exploration

Richmond Mining and Nevada Iron completed contemporary drilling in 2010 and 2012 respectively, and this is summarised in Table 3.2.

Table 3.2 - Drilling Summary by Year, Drilling Type and Deposit

| Era | Deposit | RC Drilling | | Diamond Drilling | |
|-------|-----------|-------------|------------------|------------------|------------------|
| | | No. Holes | Total Length (m) | No. Holes | Total Length (m) |
| 1960s | Section 5 | - | - | - | - |
| | West | - | - | 90 | 14,397 |
| | East | - | - | 22 | 3,818 |
| 2010 | Section 5 | - | - | - | - |
| | West | - | - | 8 | 1,415 |
| | East | - | - | - | - |
| 2012 | Section 5 | 50 | 7,358 | 12 | 2,233 |
| | West | 29 | 5,665 | 7 | 1,198 |
| | East | - | - | - | - |

The 2010 campaign focused on the East and West Deposits, while the 2012 program included Section 5. This drilling focused on verifying the historic results and closing off the mineralisation laterally and at depth. These campaigns showed that the historical data was valid and of sufficient quality to be utilized in resource estimation.

While the recent drilling in West and South Central did not result in significant changes to the historical interpretations of the structure and architecture of the geological shapes, the confidence in the mineralization interpretation has been improved by the modern drilling, which also supports the veracity of the historical analysis.

3.6 PRELIMINARY FEASIBILITY STUDY

A preliminary feasibility study (PFS) was completed on the Buena Vista Project in 2013 which combined the historical data with new information and an updated resource to establish the Project's economic parameters.

3.6.1 Historic Metallurgical Testwork

To determine the metallurgical characteristics of a magnetite ore deposit two differing magnetic separation laboratory tests are usually carried out. Davis Tube (DT) testing for a given particle size range, gives the magnetic Fe content and also determines the maximum grade of concentrate that can be achieved from the mineralization. Low Intensity magnetic separation (LIMS) testing, at a given feed size, produces the metallurgical results that can be expected in a plant.

Wet LIMS

The test program investigated wet LIMS at four different sizes; minus 10 mesh, 65 mesh, 100 mesh and 150 mesh. The results indicated that significant rejection of waste, 22 to 44%Wt could be achieved through wet LIMS at nominal minus 10 mesh (1.5 mm) top sizing. Regrinding of the coarse concentrate to minus 150 mesh (106 µm) generated concentrates above 65% Fe and < 3.5% SiO₂, which was in line with the DT results.

The results for this procedure indicated that the West deposit could be beneficiated to marketable grades of plus 65%Fe through wet LIMS at relatively coarse product sizes, nominally 100% passing 106 µm, (equivalent to P80 = 63 µm) compared to other North American taconite deposits with typical liberation at, or finer than, P80-45 µm. For all the composites the rejection of silica, alumina, titanium dioxide, phosphorus and sulphur was high.

Davis Tube

In 1960 extensive Davis Tube test work was carried out at CSMRF by Columbia Iron Mines and US Steel on 120 diamond drill-cores, 77 from the West / South Central deposits, with tests being conducted on approximately every 7 to 10 feet of drill core a totaling of about 4,000 determinations. In addition composites were prepared, nominally of 35.4 ft of drill core lengths, from each drill-hole representing a vertical mining bench height of 25 ft.

This program of testing not only covered the overall West, South Central and East deposits in great detail from which not only the overall metallurgy for the deposits can be derived but also gave an excellent insight into the metallurgical variation that can be expected across and at depth for the deposits.

In total, 884 drill core bench composites were tested at nominal grinds of P80 = 63 microns and 708 composites were tested at a finer grind, nominally P80 = 50 microns. The unweighted average of comparable results from the 708 samples at both levels of grind gave a feed grade of 22.8% Fe. At the 63 micron grind a concentrate grade of 64.6% Fe with 5.3% SiO₂ was achieved at a concentrate mass weight recovery of 29.0%. At the finer grind of 50 microns the concentrate grade achieved was 66.9% Fe with 3.6% SiO₂ at a mass weight recovery of 28.1%.

The test work showed that there is a strong correlation between the feed grade above 20% Fe and a concentrate grade above 65% Fe in the concentrate. The lower grade feeds all show that a concentrate grade between 60% and 70% Fe can be obtained from feed grades as low as 10% Fe. The variation can be attributed to the difference in mineral association, the higher grades being from small veins of magnetite in gangue and the lower grades due to a decrease in veining and an increase in disseminated magnetite associated with the gangue.

Figure 3.6 and Figure 3.7 show the weight proportion of concentrate recovered (mass pull) as a function of Fe feed grade and the concentrate grade for a grind size of 80% passing 63 µm. The results for the finer grind of 50 µm were similar.

Figure 3.6 - Mass Pull to Concentrate as Function of Feed Grade

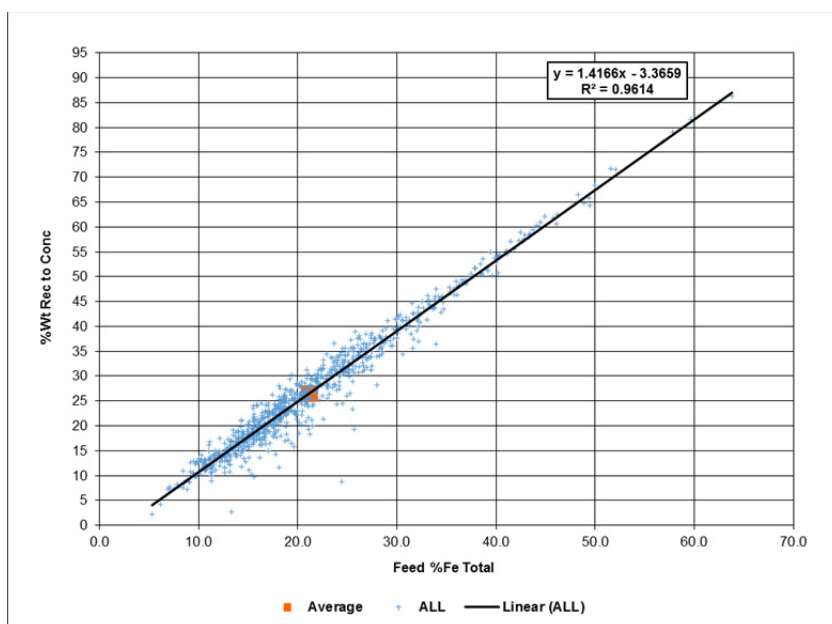
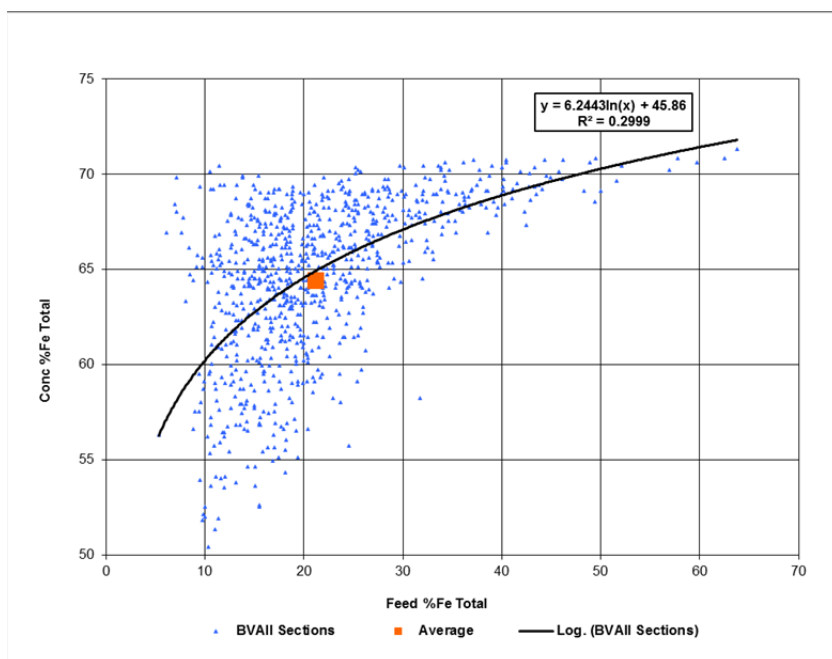


Figure 3.7 - Concentrate Grade % Fe as a function of Feed Grade



Bulk Sample

A 140 tonne ore sample of ore from the West deposit, assaying 28.7% Fe, was taken from stockpiles on site and sent to CSMRF the prime purpose being to process the sample through a pilot facility to produce sufficient concentrate for pelletising test work on the concentrate.

The overall results from the CSMRF testing for Columbia Iron Mines and US Steel demonstrated that high quality concentrate at acceptable recovery can be obtained from the mineralization using a conventional process flow sheet. The testwork also indicated that a pre-concentration by magnetic separation of finely crushed ore, minus 9.5 mm, could achieve a substantial weight rejection of 40% thereby reducing the quantity of ore passing to the wet grinding and LIMS stages with its high operating costs.

Dry LIMS

In mid-1979 C. Itoh of Japan investigated the possibility of taking an interest in the Buena Vista Project. The results from these tests demonstrated that dry magnetic separation of Buena Vista ore can achieve excellent tailings rejection at the primary stage and that cleaning the primary rougher concentrate can achieve concentrates grading about 60% TFE. Treating a feed size nominally of minus 3.35 mm and finer naturally improves the separation however at 3.35 mm top size the cleaned concentrate is slightly finer than 30% minus 100 mesh and fell just outside the desired sizing set by Itoh for sinter feed. At the finer feed sizing of minus 1.2 mm the metallurgical results improved slightly but the concentrate sizing was too fine for sinter feed. Further testing with modified operating conditions might achieve the desired concentrate quality and sizing.

3.6.2 Metallurgical Testwork by NVI

Extensive metallurgical testwork was carried out to assess the grade and recovery of the magnetite to a concentrate using both dry and wet LIMS at different grind sizes to assess the potential for cobbing (coarse lump separation) and concentration at finer sizes. The testwork indicates that cobbing of the low grade material can reject harder gangue mineralization from the feed to the concentrator plant, thereby reducing the required power for further grinding.

Wet LIMS testwork showed that both high grade (+45% Fe) and medium grade (25-45% Fe) feed can be recovered to high grade (+65% Fe) concentrate with low impurity levels (<5% silica), and recoveries well in excess of 90% magnetic iron, at a grind of nominally <106 µm (P80 = 63 µm).

DTR results on the above composites also indicated that a concentrate of 67% Fe could be achieved at a SiO₂ content of nominally < 3.5 %.

In addition, the following work was also completed:

- Metallurgical balances for each deposit;
- Bond work index (rod and ball mill) and abrasion index;
- SMC testwork;
- Thickening characteristics;
- Concentrate filtration;

- Transportable moisture limit; and
- Tailings filtration.

3.6.3 Mineral Resource

The Mineral Resource Estimate from the 2013 Preliminary Feasibility Study is summarised in Table 3.3.

Table 3.3 – Mineral Resource Estimate

| Deposit | Classification | Amount (million tonnes) | Density (t/m ³) | Fe (%) | DTR (%) |
|-----------------|----------------|----------------------------|--------------------------------|--------|---------|
| Section 5 | Indicated | 32.1 | 3.01 | 17.7 | 16.8 |
| West | Indicated | 116.6 | 3.12 | 19.1 | 21.2 |
| East | Inferred | 28.9 | 3.12 | 19.6 | 23.4 |
| Total Indicated | | 148.7 | 3.1 | 18.8 | 20.2 |
| Total Inferred | | 28.9 | 3.12 | 19.6 | 23.4 |

3.6.4 Mineral Reserve

The Mineral Resource Estimate from the 2013 Preliminary Feasibility Study is summarised in Table 3.4.

Table 3.4 – Mineral Reserve Estimate

| Deposit | Reserve Category | Ore (Mt) | Grade (Fe %) | Contained Fe (Mt) |
|----------------------|------------------|--------------|--------------|-------------------|
| West | Probable | 85.5 | 19.06 | 16.3 |
| Section 5 | Probable | 25.7 | 17.2 | 4.4 |
| Total Reserve | Probable | 111.2 | 18.6 | 20.7 |

The reserve estimate was based on the following assumptions:

- Concentrate price - US\$105.00 /dmt (62% fines);
- Concentrate transport - US\$26.55 /dmt;
- Processing and G&A - US\$6.17 /tonne ore;
- Processing recovery - 75.5%;
- Mining cost - US\$2.30 /tonne mined; and
- Average pit slopes between 36° and 43°.

3.6.5 Project Economics

The 2013 PFS included production schedules which indicated that the LOM was 13 years, with total concentrate production of 23.2Mt (dry) at an average grade of 68.1% Fe. The free cash flow generated over this period was estimated to be US\$565 million, with an NPV at a discount rate of 7.5% of US\$236 million.

The economic assessment assumed a concentrate price of US\$104.29/dmt FOB West Sacramento, average mining cost of US\$2.13/t mined, processing cost of US\$3.59/ROM t, freight costs to port of US\$25.17/dmt of concentrate and G&A costs of US\$3.87 million per annum.

Analysis by X-Cut indicated that the Project requires an iron price above US\$86/dmt (CFR China) to produce sufficient pre-tax cash flow to support the capital costs of the project.

4 VALUATION CONSIDERATIONS

The opinions expressed and conclusions drawn with respect to this valuation are appropriate at the valuation date, 30 June 2016. The valuation is only valid for this date and may change with time in response to variations in economic, market, legal or political conditions.

The objective of a mineral asset valuation is to establish a “fair market” value for an asset in the context of the factors outlined in the body of this report.

4.1 FAIR MARKET VALUE OF MINERAL ASSETS

Mineral assets are defined in the VALMIN Code as all property including, but not limited to real property, mining and exploration tenements held or acquired in connection with the exploration, the development of and the production from those tenements together with all plant, equipment and infrastructure owned or acquired for the development, extraction and processing of minerals in connection with those tenements.

The VALMIN Code defines fair market value of a mineral asset as the estimated amount of money or the cash equivalent of some other consideration for which, in the opinion of the Expert or Specialist reached in accordance with the provisions of the VALMIN Code, the mineral asset should change hands on the valuation date between a willing buyer and a willing seller in an arm's length transaction, wherein each party has acted knowledgeably, prudently and without compulsion.

In effect therefore, the valuation Expert is assumed to have the knowledge and experience necessary to establish a realistic value for a mineral asset. The real value of a tenement can only be established in an open market situation where an informed public is able to bid for an asset. The most open and public valuation of mineral assets occur when they are sold to the public through a public share offering by a company wishing to become a public listed resource company, or by a company raising additional finance. In this instance, the public is given a free hand to make the decision, whether to buy or not buy shares at the issue price, and once the shares of the company are listed, the market sets a price.

It is well known to most valuation Experts that where mineral tenement valuation is concerned there are two quite distinct markets operating in Australia. Almost without exception, the values achieved for mineral assets sold through public flotation are higher than where values are established through, say, the cash sale by a liquidator, or the sale by a small prospector to a large company neighbour, or through joint venture arrangements.

It is X-Cut's experience, that in all these circumstances the terms of sale generally do not meet the criteria laid out in the VALMIN Code for fair market value (i.e. transaction between a willing buyer,

willing seller in an arm's length transaction, wherein each party had acted knowledgeably, prudently and without compulsion). Invariably one of the parties is a less than enthusiastic participant and it cannot be said that the purchase or sale is without an element of compulsion.

The VALMIN Code notes that the value of a mineral asset usually consists of two components; the underlying or technical value, and a premium or discount relating to market, strategic or other considerations. The VALMIN Code recommends that a preferred or most-likely value be selected as the most likely figure within a range after taking into account those factors which might impact on value.

The concept of Fair Market Value hinges upon the notion of an asset changing hands in an arm's length transaction. Fair Market Value must therefore take account, inter alia, market considerations, which can only be determined by reference to "comparable transactions". Generally, truly comparable transactions for mineral assets are difficult to identify due to the infrequency of transactions involving producing assets and/or resources, the great diversity of mineral exploration properties, the stage to which their evaluation has progressed, perceptions of prospectivity, tenement types, the commodity involved and so on.

For exploration tenements, the notion of value is very often based on considerations unrelated to the amount of cash which might change hands in the event of an outright sale, and in fact, for the majority of tenements being valued, there is unlikely to be any "cash equivalent or some other consideration".

Whilst acknowledging these limitations, X-Cut has identified what it considers to be comparable transactions that have been used in assessing the values to be attributed to the mineral assets.

X-Cut's valuations are based on information provided by NVI and public domain information. This information has been supplemented by independent enquiries, but has not been independently verified. No audit of any financial data has been conducted. The valuations discussed in this Report have been prepared at a valuation date of 30th June 2016. It is stressed that the values are opinions as to likely values, not absolute values, which can only be tested by going to the market.

4.2 METHODS OF VALUING MINERAL ASSETS

The choice of valuation methodology applied to mineral assets depends on the amount of data available and the reliability of that data. The VALMIN Code classifies mineral assets into categories that represent areas in which mineralisation may or may not have been found through to operating mines which have defined Ore Reserves. These classifications are:

- **"Exploration Areas"** – properties where mineralisation may or may not have been identified, but where a Mineral Resource has not been identified.
- **"Advanced Exploration Areas"** – properties where considerable exploration has been undertaken and specific targets have been identified that warrant further detailed evaluation, usually by drill testing, trenching or some other form of detailed geological sampling. A Mineral Resource estimate may or may not have been made but sufficient work will have been undertaken on, at least, one prospect to provide both a good understanding of the type

of mineralisation present and encouragement that further work will elevate one or more of the projects to the resource category.

- **“Pre-Development Projects”** – properties where Mineral Resources have been identified and their extent estimated (possibly incompletely) but where a decision to proceed with development has not been made.
- **“Development Projects”** – properties for which a decision has been made to proceed with construction and/or production, but which are not yet commissioned or are not yet operating at design levels.
- **“Operating Mines”** - mineral properties, particularly mines and processing plants that have been commissioned and are in production.

Each of these different categories will require different valuation methodologies, but regardless of the technique employed, consideration must be given to the perceived Fair Market Valuation.

The Fair Market Value of exploration properties and undeveloped Mineral Resources can be determined by four general approaches, including:

- The Appraised Value (Multiples of Exploration Expenditure) Method which considers the costs and results of historical exploration.
- The Market Approach (Comparable Transactions) Method which looks at recent arm's length transactions for comparable properties and/or comparable resources.
- The Geoscience Factor (“Kilburn”) Method which seeks to rank and weight geological aspects, including proximity to mines and other deposits, the significance of the mineralised district and the commodity sought.
- The Income Approach, which is relevant to exploration properties on which undeveloped Mineral Resources (Indicated or Measured) or Ore Reserves are present or to operating mines. When sufficiently detailed studies into the mining and processing of the Mineral Resources and/or Ore Reserves have been completed, value can be derived with a reasonable degree of confidence by forecasting the cashflow that would accrue from mining the deposit and discounting these to the present day to determine their Net Present Value (NPV).

Multiples of Exploration Expenditure

This method considers the costs and results of historical exploration.

The Appraised Value method utilises a Multiple of Exploration Expenditure (“MEE”), which involves the allocation of a premium or discount to past expenditure through the use of the Prospectivity Enhancement Multiplier (“PEM”). This involves a factor which is directly related to the success (or failure) of the exploration completed to date, during the life of the current tenements.

Guidelines for the selection of a PEM value have been proposed by several authors in the field of mineral asset valuation (Onley, 1994). Table 6 lists the PEM and criteria used in this Report.

Table 4.1 - Prospectivity Enhancement Multiplier (PEM) Factors

| PEM Range | Criteria |
|-----------|---|
| 0.2–0.5 | Exploration (past & present) has downgraded the tenement prospectivity, no mineralisation identified. |
| 0.5–1.0 | Exploration potential has been maintained (rather than enhanced) by past and present activity from regional mapping. |
| 1.0–1.3 | Exploration has maintained, or slightly enhanced (but not downgraded) the prospectivity. |
| 1.3–1.5 | Exploration has considerably increased the prospectivity (geological mapping, geochemical or geophysical activities). |
| 1.5–2.0 | Scout drilling (RAB, aircore, RCP) has identified interesting intersections of mineralisation. |
| 2.0–2.5 | Detailed drilling has defined targets with potential economic interest. |
| 2.5–3.0 | A Mineral Resource has been estimated at Inferred JORC category, no concept or scoping study has been completed. |
| 3.0–4.0 | Indicated Mineral Resources have been estimated that are likely to form the basis of a Pre- feasibility Study. |
| 4.0–5.0 | Indicated and Measured Resources have been estimated and economic parameters are available for assessment. |

Comparable market value

When the economic viability of a resource has not been determined by scoping or high level studies, then a 'rule of thumb' or comparable market value approach is typically applied. The comparable market value approach for resources is a similar process to that for exploration property however a dollar value per resource metal tonne in the ground is determined.

As no two mineral assets are the same, the Expert must be cognisant of the quality of the assets in the comparable transactions, with specific reference to:

- the grade of the resource;
- the metallurgical qualities of the resource;
- the proximity to infrastructure such as an existing mill, roads, rail, power, water, skilled work force, equipment, etc;
- likely operating and capital costs;
- the amount of pre-strip (for open pits) or development (for underground mines) necessary;
- the likely ore to waste ratio (for open pits);
- the size of the tenement covering the mineral asset; and
- the overall confidence in the resource.

Geoscience Factor

For tenements that have no established resource estimate, but have potential for mineral endowment, X-Cut is of the opinion that the Kilburn method provides the most appropriate approach to utilise in the technical valuation.

Kilburn, a Canadian mining engineer was concerned about the haphazard way in which exploration tenements were valued. He proposed an approach which essentially requires the valuer to justify the key aspects of the valuation process. The valuer must specify the key aspects of the valuation process and must specify and rank aspects which enhance or downgrade the intrinsic value of each property. The intrinsic value is the base acquisition cost ("BAC") which is the average cost incurred to acquire a base unit area of mineral tenement and to meet all statutory expenditure commitments for a period of 12 months. Different practitioners use slightly differing approaches to calculate the BAC.

Table 4.2 - Kilburn rating criteria (modified by X-Cut)

| Rating | Off property factor | On property factor | Anomaly factor | Geological factor |
|--------|--|--|--|---|
| 0.1 | | | | Generally unfavourable lithology |
| 0.2 | | | | Generally unfavourable lithology with structures |
| 0.3 | | | | |
| 0.4 | | | | Generally favourable lithology (10%-20%) |
| 0.5 | | | Extensive previous exploration with poor results | Alluvium covered, generally favourable lithology (50%) |
| 0.6 | | | | |
| 0.7 | | | | |
| 0.8 | | | | |
| 0.9 | | | | Generally favourable lithology (50%) |
| 1.0 | No known mineralisation | No known mineralisation | No targets outlined | Generally favourable lithology (70%) |
| 1.5 | Minor workings | Minor workings | | Generally favourable lithology |
| 2.0 | Several old workings | Several old workings | Several well defined targets | Generally favourable lithology with structures |
| 2.5 | Abundant workings | Abundant workings | | |
| 3.0 | | | Several significant sub-economic intersections | Generally favourable lithology with structures along strike of a major mine |
| 3.5 | Abundant workings/mines with significant historical production | Abundant workings/mines with significant historical production | | |
| 4.0 | | | | |
| 4.5 | | | | |
| 5.0 | Along strike from major mine(s) | Major mine with significant historical production | Several significant ore grade correlatable intersections | |
| 10 | Along strike from world class mine(s) | | | |

Income Approach

A discounted cash flow ("DCF") analysis determines the Technical Value of a project by approximating the value if it were developed under the prevailing economic conditions.

Once a Mineral Resource has been assessed for mining by considering revenues and operating costs, the economically viable component of the resource becomes the Ore Reserve. When this is scheduled for mining, and the capital costs and tax regime are considered, the net present value ("NPV") of the project is established by discounting future annual cash flows using an appropriate discount rate.

The resulting 'classical' NPV has several recognised deficiencies linked to the fact that the approach assumes a static approach to investment decision making, however the NPV represents a fundamental approach to valuing a proposed or on-going mining operation and is widely used within the mining industry.

4.3 X-CUT'S VALUATION METHODOLOGY

It is X-Cut's opinion that no single valuation approach should be used in isolation as each approach has its own strengths and weaknesses. Where practicable, X-Cut undertakes its valuations using a combination of valuation techniques in order to help form its opinion.

After consideration of the various valuation methods outlined in Section 4.2 and the geological and exploration information, X-Cut has elected to apply the **Market Approach method** as the primary valuation tool and the **Appraised Value** (using a MEE) as cross check.

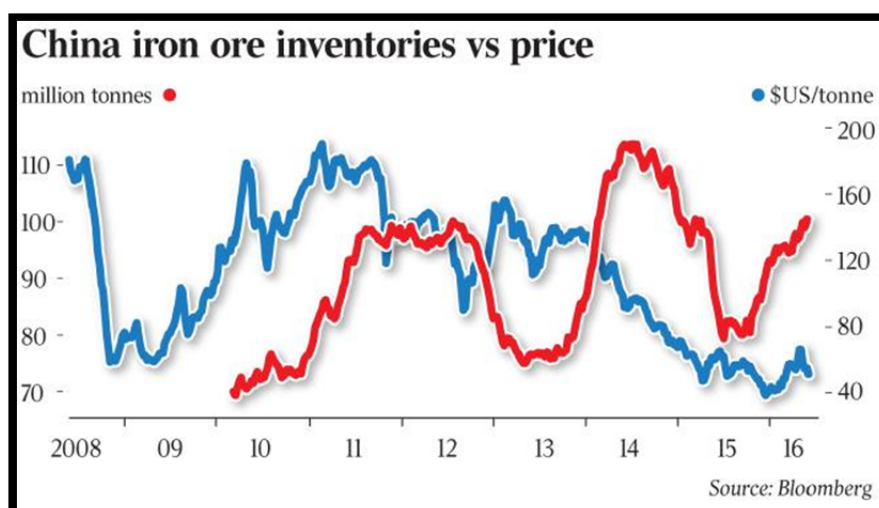
As discussed in Section 3.6, the project has been the subject of a PFS and the estimation of a Probable Ore Reserve in 2013, which would normally direct the valuer to the income approach of valuation. At the time the PFS was completed (October 2013) the iron ore price was in excess of US\$123 per tonne. The current iron oversupply and consequent fall in the iron price as described in Section 4.3.1 has fundamentally changed the projects economic benefit. It is X-Cut's opinion that using the PFS as the basis of a discounted cash flow valuation is not appropriate as it does not present a fair technical value of the project.

4.3.1 Commodity overview

The market for iron projects globally has of recent years been subdued due to fundamental changes in the supply and demand balance for iron. Massive demand from China and to a lesser extent, India, has resulted in a change to global iron exploration and development sector. Over the last decade the number of companies in the iron sector expanded in response to anticipated market.

During 2015 and 2016, the iron spot market has fluctuated between US\$38 and US\$70 per dry metric tonne (CFR China). Further, over the last four quarters there has been an increasing surplus of iron held in stockpiles in China. Morgan Stanley anticipate that in the short term iron is expected to trade between \$US45 and US\$55 per tonne, although over 2017 calendar year prices are expected to average US\$42. This forecast is in line with Citigroup's forecasts, although Citi does not expect prices to exceed US\$50 per tonne until beyond 2020.¹

Figure 4.1 – Spot Market Iron Ore Price



¹ The Australian, “Morgan Stanley lifts iron ore price outlook”, June 28, 2016.

4.3.2 Market Approach – Analysis of Comparable Transactions

X-Cut considers the main value driver for the Project is the currently defined resources. Whilst there is good potential for additional resource development, the current market does not ascribe any significant value to iron exploration potential.

For the valuation of NVI’s Mineral Resource, X-Cut’s approach is to value these assets by assigning a dollar value to the insitu metal. To establish a benchmark market value for in-ground metal, X-Cut has completed a search of the publicly available information on recent market transactions involving iron resource projects.

A number of pre-development projects were selected as comparable from various jurisdictions. There were a very limited number of iron project transactions in North America with public information and X-Cut has relied on information predominantly from Australia to populate comparable projects.

Note that individual market transactions are rarely completely identical to the relevant project area or may not necessarily contain all the required information for compilation. In practice, a range of implied dollar values per tonne of iron will be defined as suitable for use. The transactions identified along with the Implied Value per tonne of contained iron values are detailed in Appendix 2.

Implied Value per tonne of contained iron

For each of the reviewed transactions the value of the transaction has been converted to its US Dollar (US\$) equivalent based on the exchange rate at the time of the transaction.

As way of levelling out the effect of differing resource grades involved in each transaction it was decided to calculate an Implied Value per tonne of contained iron (“Implied Value”). The Implied Value is calculated by dividing the dollar value of the transaction by the contained iron tonnage of the deposit, and then correcting this value for fluctuations in iron price.

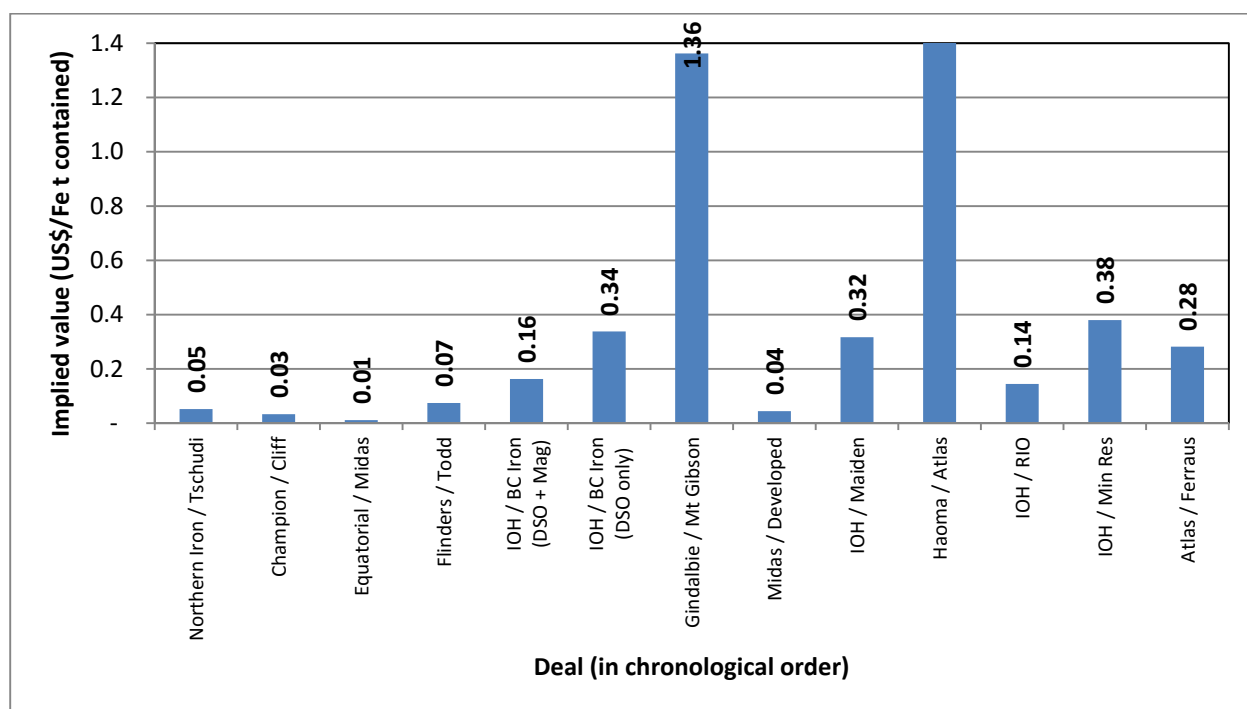
The correction for iron price was calculated using the following equation:

$$\text{Corrected Implied Value} = \frac{\text{Implied Value}}{(\text{Fe price at transaction} / \text{Fe price 30 June 2016})}$$

In reviewing the comparable transactions, X-Cut has considered the differences between the current spot prices for iron ore and those prevailing at the time of the transactions as well as weighing up the stage of development of the project and the resource estimation classifications.

X-Cut believes the most relevant measure to compare the projects is the Implied Value per tonne of contained iron. Figure 4.2 summarises the comparison of the value per tonne of contained iron for the transactions reviewed for this valuation.

Figure 4.2 – Implied value per tonne contained Fe



The transactions chosen have been restricted to iron projects with Indicated and Inferred Resources (as defined by the JORC Code 2004). Other factors such as access to road, port, rail and power infrastructure or strategic value have also been considered.

A range of pre-development iron ore project transactions considered relevant were identified and are outlined in Table 4.3 and in more detail in Appendix 2.

Table 4.3 – Summary of Comparable Projects

| Project | Companies | Asset summary | Purchase Price (US\$ million) | Implied value US\$/Fe tonne |
|-------------------------|---|---|-------------------------------|-----------------------------|
| Bloom Lake | December 2015 Champion Iron Limited and Cliffs Natural Resources | Bloom Lake is a developed magnetite mine located in eastern Canada. | 7.6 | 0.03 |
| Mayoko-Maussonndji | August 2015 Equatorial Resources Ltd and Midas Global Ltd | Mayoko-Maussonndji is a development project in the Republic of Congo. | 3.55 | 0.01 |
| Sydvaranger | April 2016 Tschudi Group and Northern Iron Limited | Sydvaranger is a developed mine in northern Norway | 9.5 | 0.05 |
| Pilbara Iron Ore | August 2015 Flinders Mines and Todd Minerals | Two 100% tenements, Pilbara WA | 50.7 | 0.07 |
| Iron Valley | August 2014 IOH and BC Iron | Combination of DSO and magnetite, Pilbara WA | 190 | 0.16 |
| Iron Valley | August 2014 IOH and BC Iron | DSO only | 190 | 0.34 |
| Shrine | March 2014 Gindalbie & Mt Gibson | Haematite project 250km east of Geraldton WA | 13.7 | 1.36 |
| Mt Phillips | Dec 2013 Midas / Developed | Iron resource near Mt Isa QLD | 1.34 | 0.04 |
| North Marillana | Sept 2013 IOH & Maiden | 4 mining leases in Pilbara WA | 6.98 | 0.32 |
| Daltons | Mar 2012 Haoma & Atlas | Resource adjacent operating mine, Mt Webber WA | 136 | 3.65 |
| Koodaideri South | Sept 2011 IOH & RIO | Resource well located to rail and road, Pilbara WA | 31 | 0.14 |
| Phil's Creek/Lamb Creek | Sept 2011 IOH & Min Res | Indicated resource, near Yandicoogina, Pilbara WA | 40.7 | 0.38 |
| SE Pilbara | June 2011 Atlas & Ferraus | Inferred resource, Pilbara WA | 83.7 | 0.28 |

X-Cut's search is not intended to be a definitive listing of all market transactions in this period, but rather a list of transactions which offer comparability to NVI's project in terms of reported tonnes, grade or the state of the project as a whole. The level of disclosure and complexity of some of the transactions reviewed, limited X-Cut's ability to assign meaningful cash equivalent values and these were therefore disregarded for the purpose of this analysis.

X-Cut is of the opinion that the market has generally been paying between US\$0.03 and US\$0.16 per tonne of insitu iron for existing mining operations and iron projects with defined Mineral Resources and access to transportation infrastructure.

Using this method, X-Cut's preferred valuation for the project is \$1.7 million as illustrated in Table 4.4.

Table 4.4 – Valuation by comparable market value

| Buena Vista Project | Low | High | Preferred |
|--|------------|------------|------------|
| 33Mt contained Fe (US\$/contained Fe tonne) | 0.03 | 0.16 | 0.05 |
| Valuation (US\$ millions) | 1.0 | 5.5 | 1.7 |

4.3.3 Appraised Value Method – Multiples of Exploration Expenditure

Reported expenditure on the Buena Vista Project by NVI is reported as AUD30 million expensed since 2010. X-Cut has not corrected these costs for inflation as the expenditure is relatively recent. Based on the recorded exploration expenditure and the generally positive results of the work, a range of expenditure weighted PEM values of 1.1 to 1.5 has been determined as shown in Table 4.5. These are relatively low and reflect that the expenditures are associated with project acquisition and development rather than exploration and resource development. The presence of iron mineralisation at Buena Vista has a long history and much of the work that established the resource was from largely historic drilling.

When these PEM values are applied to the historical expenditure at Buena Vista it provides a range of values from US\$25M to US\$33M, within which range X-Cut has selected a Preferred Value of US\$28M. Table 4.5 details the calculation and shows expenditure in Australian Dollars, as they have been derived from the Company's financial statements. The conversion of the valuation to US dollars is based on an AUD to USD exchange rate of 0.75 to 1.

This value is in excess of the comparable transactions values established in Section 4.3.2 Market Approach – Analysis of Comparable Transactions. X-Cut concluded that the MEE methodology provides a valuation that is too high, largely because of the considerable amount spent on the project during periods of higher iron price. And the cost of the drilling and development work between 2010 and 2013 occurred at a time of anomalously high costs associated with most facets of the minerals industry. In the current pricing environment X-Cut believes it attributes too greater price on the project which is not in line with the market for iron projects.

Table 4.5 - PEM Factors for Buena Vista

| Work Undertaken by Year (ending June) | Results of work | Expenditure (AUD k) | PEM Low | PEM Value low (AUD k) | PEM High | PEM Value High (AUD k) | PEM Pref. | PEM Value Pref. (AUD k) |
|---|---|------------------------|---------|--------------------------|----------|---------------------------|-----------|----------------------------|
| 2010 | | | | | | | | |
| Drilling | Preliminary met sampling and confirmation of historic data | 1,514 | 1 | 1,514 | 1 | 1,514 | 1 | 1,514 |
| 2011 | | | | | | | | |
| Tenement purchases | Option agreement executed | 3,000 | 1 | 3,000 | 1 | 3,000 | 1 | 3,000 |
| Feasibility Studies (Scoping and other more detailed) | Positive studies but highlighted further work required | 4,603 | 1 | 4,603 | 2.5 | 11,508 | 1.5 | 6,905 |
| 2012 | | | | | | | | |
| Magnetic survey | Positive mag survey over known areas plus Fisk and Ute | 750 | 1.3 | 975 | 1.5 | 1,125 | 1.3 | 975 |
| Drilling | Added Section 5 to resource | 3,500 | 2 | 7,000 | 3 | 10,500 | 2.5 | 8,750 |
| Other | | 1,020 | 1 | 1,020 | 1 | 1,020 | 1 | 1,020 |
| 2013 | | | | | | | | |
| Pre-Feasibility Study | Positive study outcome, Indicated Resource and Probable Reserve | 3,500 | 1 | 3,500 | 1 | 3,500 | 1 | 3,500 |
| 2014 | | | | | | | | |
| Concession Acquisitions | Additional ground added | 2,841 | 1 | 2,841 | 1 | 2,841 | 1 | 2,841 |
| Detailed Engineering | Process plant design completed | 4,645 | 1 | 4,645 | 1 | 4,645 | 1 | 4,645 |
| Permitting | Working towards obtaining permits | 2,322 | 1 | 2,322 | 1 | 2,322 | 1 | 2,322 |
| 2015 | | | | | | | | |
| Permitting | Reclamation, air quality water pollution permits granted | 2,341 | 1 | 2,341 | 1 | 2,341 | 1 | 2,341 |
| Totals | | 30,036 | 1.1 | 33,761 | 1.5 | 44,316 | 1.3 | 37,813 |

5 PREFERRED VALUE OF THE PROJECTS

X-Cut has based its valuation of NVI's mineral assets upon information supplied up to 25 July 2016. Using an effective valuation date of 30 June 2016, X-Cut's opinion of the fair market value of NVI's mineral assets using the methodologies described in Section 4.2 of this report, is summarised in the following Table 5.1. X-Cut cautions however, that in the current economic climate where investor sentiment has become increasingly risk-averse, the concept of a "fair market value" which is defined as a theoretical transaction occurring between a willing buyer and willing seller, acting knowledgeably and without compulsion, is rarely being achieved in practice. Cognisant of this, X-Cut highlights that volatile market conditions, as experienced globally in recent months, can potentially and materially alter the market value of an asset from those figures presented below and in the body of this report.

Table 5.1 – Valuation of NVI's mineral assets

| Project | Mineral Asset | NVI Ownership % | Granted Area (acres) | Low (US\$ M) | High (US\$ M) | Preferred (US\$ M) |
|-------------|-------------------------|-----------------|----------------------|--------------|---------------|--------------------|
| Buena Vista | Pre-development project | 100 | 16,386 | 1.0 | 5.5 | 1.7 |

There is significant range in the values derived for the Buena Vista Project. X-Cut has considered this range and concludes that it provides a reasonable representation of possible valuation outcomes for the project, given the uncertainties inherent in valuing exploration and pre-development projects.

It is stressed that the valuation is an opinion as to likely values, not absolute values, which can only be tested by going to the market.

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APPENDIX 1

TENEMENT LIST AT 30 MARCH 2016

Tenement list at 31 March 2016

| Land Description | Area (acres) | Type | Patent / Claim Number | Nevada Iron Interest in Land |
|----------------------------------|---------------------|-----------------------|------------------------------|-------------------------------------|
| T24N R34E Sec 5, excl pat claims | 516.49 | Private Land | APN 05-211-02 | 100% |
| T24N R34E S 1/2 Sec 8 | 317.87 | Private Land | APN 05-211-08 | 100% |
| T24N R34E N 1/2 Sec 17 | 317.55 | Private Land | APN 05-211-10 | 100% |
| T24N R34E Sec 7 | 640.09 | Private Land | APN 05-211-07 | 100% |
| Huxley - Lambert Parcels | 311.15 | Private Land | APN 04-431-40 | 100% |
| T25N R34E Sec 31 | 619.60 | Private Land | Various | 100% - Mineral rights |
| T25N R34E Sec 33 | 640.00 | Private Land | Various | 100% - Mineral rights |
| T25N R34E Sec 3 | 626.40 | Private Land | Various | 100% - Mineral rights |
| T25N R34E Sec 5 excl .23 ac | 626.37 | Private Land | Various | 100% - Mineral rights |
| T25N R34E Sec 7 | 613.20 | Private Land | Various | 100% - Mineral rights |
| T25N R34E W 1/2 Sec 11 | 320.00 | Private Land | Various | 100% - Mineral rights |
| T25N R34E Sec 17 | 640.00 | Private Land | Various | 100% - Mineral rights |
| T25N R34E Sec 21 | 640.00 | Private Land | Various | 100% - Mineral rights |
| T25N R34E NW 1/4 Sec 23 | 160.00 | Private Land | Various | 100% - Mineral rights |
| T25N R34E W 1/2 Sec 27 | 320.00 | Private Land | Various | 100% - Mineral rights |
| Albitross | 13.75 | Patented Mining Claim | 33482 | 100% - Lease from RGGS |
| Wyoming | 20.21 | Patented Mining Claim | 33482 | 100% - Lease from RGGS |
| Rover | 20.63 | Patented Mining Claim | 33482 | 100% - Lease from RGGS |
| Cactus | 19.98 | Patented Mining Claim | 33482 | 100% - Lease from RGGS |
| Iron Mountain 15 | 20.55 | Patented Mining Claim | 27-72-0040 | 100% of lease of 50% Undivided |
| Iron Mountain 14 | 20.55 | Patented Mining Claim | 27-72-0040 | 100% of lease of 50% Undivided |
| Iron Mountain 13 | 20.55 | Patented Mining Claim | 27-72-0040 | 100% of lease of 50% Undivided |
| Iron Mountain 12 | 20.55 | Patented Mining Claim | 27-72-0040 | 100% of lease of 50% Undivided |
| Iron Mountain 7 | 20.55 | Patented Mining Claim | 27-72-0040 | 100% of lease of 50% Undivided |
| Iron Mountain 6 | 19.81 | Patented Mining Claim | 27-72-0040 | 100% of lease of 50% Undivided |
| Iron Mountain 5 | 17.03 | Patented Mining Claim | 27-72-0040 | 100% of lease of 50% Undivided |
| Iron Mountain 4 | 20.33 | Patented Mining Claim | 27-85-0028 | 100% of lease of 50% Undivided |
| Iron Mountain 10 | 15.72 | Patented Mining Claim | 27-85-0028 | 100% - Lease from RGGS |
| Iron Mountain 1 | 18.24 | Patented Mining Claim | 27-72-0041 | 100% - Lease from RGGS |
| Wild Horse | 16.88 | Patented Mining Claim | 33481 | 100% - Lease from RGGS |
| Iron Mountain 2 | 13.99 | Patented Mining Claim | 27-72-0041 | 100% - Lease from RGGS |
| Iron Mountain 3 | 2.45 | Patented Mining Claim | 27-72-0041 | 100% - Lease from RGGS |
| Pennsylvania | 20.43 | Patented Mining Claim | 33481 | 100% - Lease from RGGS |
| Locomotive | 20.42 | Patented Mining Claim | 33481 | 100% - Lease from RGGS |
| Iron Mountain | 20.59 | Patented Mining Claim | 33481 | 100% - Lease from RGGS |
| Fairview | 19.58 | Patented Mining Claim | 33481 | 100% - Lease from RGGS |
| Seagull | 19.23 | Patented Mining Claim | 33483 | 100% - Lease from RGGS |
| Pelican | 19.31 | Patented Mining Claim | 33483 | 100% - Lease from RGGS |
| Iron Horse | 15.77 | Patented Mining Claim | 33481 | 100% - Lease from RGGS |

Tenement list at 31 March 2016

| Land Description | Area (acres) | Type | Patent / Claim Number | Nevada Iron Interest in Land |
|-------------------------|---------------------|-----------------------|------------------------------|-------------------------------------|
| Iron Horse 2 | 20.19 | Patented Mining Claim | 27-72-0041 | 100% - Lease from RGGS |
| Chancellor | 18.49 | Patented Mining Claim | 33481 | 100% - Lease from RGGS |
| Desert View 4 | 8.48 | Patented Mining Claim | 27-72-0041 | 100% - Lease from RGGS |
| Badger | 20.20 | Patented Mining Claim | 33484 | 100% - Lease from RGGS |
| Badger 1 | 13.74 | Patented Mining Claim | 27-72-0041 | 100% - Lease from RGGS |
| Badger 2 | 2.26 | Patented Mining Claim | 27-72-0041 | 100% - Lease from RGGS |
| Pelican 1 | 18.49 | Patented Mining Claim | 27-72-0041 | 100% - Lease from RGGS |
| Mountain Top 1 | 13.79 | Patented Mining Claim | 27-72-0041 | 100% - Lease from RGGS |
| Desert View | 13.60 | Patented Mining Claim | 33481 | 100% - Lease from RGGS |
| Desert View 1 | 18.08 | Patented Mining Claim | 27-72-0041 | 100% - Lease from RGGS |
| Desert View 5 | 10.00 | Patented Mining Claim | 27-72-0041 | 100% - Lease from RGGS |
| Pelican 3 | 16.65 | Patented Mining Claim | 27-72-0041 | 100% - Lease from RGGS |
| Mountain Top 2 | 19.15 | Patented Mining Claim | 27-72-0041 | 100% - Lease from RGGS |
| Mountain Top | 19.54 | Patented Mining Claim | 33481 | 100% - Lease from RGGS |
| Desert View 2 | 20.60 | Patented Mining Claim | 27-72-0041 | 100% - Lease from RGGS |
| Desert View 3 | 13.59 | Patented Mining Claim | 27-72-0041 | 100% - Lease from RGGS |
| Desert View 6 | 20.08 | Patented Mining Claim | 27-72-0041 | 100% - Lease from RGGS |
| Mountain Top 3 | 19.63 | Patented Mining Claim | 27-72-0041 | 100% - Lease from RGGS |
| Mountain Top 4 | 19.25 | Patented Mining Claim | 27-72-0041 | 100% - Lease from RGGS |
| Star 1 | 13.64 | Patented Mining Claim | 27-72-0041 | 100% - Lease from RGGS |
| Star 3 | 20.43 | Patented Mining Claim | 27-72-0041 | 100% - Lease from RGGS |
| KMD 1 | 13.45 | Load Claim | NMC956471 | 100% |
| KMD 2 | 19.98 | Load Claim | NMC956472 | 100% |
| KMD 3 | 20.61 | Load Claim | NMC956473 | 100% |
| KMD 4 | 20.66 | Load Claim | NMC956474 | 100% |
| KMD 5 | 20.66 | Load Claim | NMC956475 | 100% |
| KMD 6 | 20.66 | Load Claim | NMC956476 | 100% |
| KMD 7 | 20.66 | Load Claim | NMC956477 | 100% |
| KMD 8 | 5.85 | Load Claim | NMC956478 | 100% |
| KMD 9 | 19.32 | Load Claim | NMC956479 | 100% |
| KMD 10 | 19.68 | Load Claim | NMC1049632 | 100% |
| KMD 11 | 18.83 | Load Claim | NMC956481 | 100% |
| KMD 12 | 18.87 | Load Claim | NMC956482 | 100% |
| KMD 13 | 18.92 | Load Claim | NMC956483 | 100% |
| KMD 14 | 19.07 | Load Claim | NMC956484 | 100% |
| KMD 15 | 16.98 | Load Claim | NMC956485 | 100% |
| KMD 16 | 19.33 | Load Claim | NMC956486 | 100% |
| KMD 17 | 19.21 | Load Claim | NMC956487 | 100% |
| KMD 18 | 20.01 | Load Claim | NMC956488 | 100% |
| KMD 19 | 20.66 | Load Claim | NMC956489 | 100% |
| KMD 20 | 15.39 | Load Claim | NMC956490 | 100% |
| KMD 21 | 20.66 | Load Claim | NMC956491 | 100% |
| KMD 22 | 20.66 | Load Claim | NMC956492 | 100% |
| KMD 23 | 20.66 | Load Claim | NMC956493 | 100% |
| KMD 24 | 20.66 | Load Claim | NMC956494 | 100% |

Tenement list at 31 March 2016

| Land Description | Area (acres) | Type | Patent / Claim Number | Nevada Iron Interest in Land |
|-------------------------|---------------------|-------------|------------------------------|-------------------------------------|
| KMD 25 | 20.66 | Load Claim | NMC956495 | 100% |
| KMD 26 | 20.66 | Load Claim | NMC956496 | 100% |
| KMD 27 | 20.66 | Load Claim | NMC956497 | 100% |
| KMD 28 | 20.66 | Load Claim | NMC956498 | 100% |
| KMD 29 | 20.66 | Load Claim | NMC956499 | 100% |
| KMD 30 | 20.66 | Load Claim | NMC956500 | 100% |
| KMD 31 | 20.66 | Load Claim | NMC956501 | 100% |
| KMD 32 | 20.66 | Load Claim | NMC956502 | 100% |
| KMD 33 | 20.66 | Load Claim | NMC956503 | 100% |
| KMD 34 | 20.66 | Load Claim | NMC956504 | 100% |
| KMD 35 | 20.66 | Load Claim | NMC956505 | 100% |
| KMD 36 | 20.66 | Load Claim | NMC956506 | 100% |
| KMD 37 | 20.66 | Load Claim | NMC956507 | 100% |
| KMD 38 | 20.66 | Load Claim | NMC956508 | 100% |
| KMD 39 | 20.66 | Load Claim | NMC956509 | 100% |
| KMD 40 | 20.66 | Load Claim | NMC956510 | 100% |
| KMD 41 | 20.66 | Load Claim | NMC956511 | 100% |
| KMD 42 | 20.66 | Load Claim | NMC956512 | 100% |
| KMD 43 | 20.66 | Load Claim | NMC956513 | 100% |
| KMD 44 | 20.66 | Load Claim | NMC956514 | 100% |
| KMD 45 | 20.66 | Load Claim | NMC956515 | 100% |
| KMD 46 | 20.66 | Load Claim | NMC956516 | 100% |
| KMD 47 | 20.66 | Load Claim | NMC956517 | 100% |
| KMD 48 | 20.66 | Load Claim | NMC956518 | 100% |
| KMD 49 | 20.66 | Load Claim | NMC956519 | 100% |
| KMD 50 | 20.66 | Load Claim | NMC956520 | 100% |
| KMD 51 | 20.66 | Load Claim | NMC956521 | 100% |
| KMD 52 | 20.66 | Load Claim | NMC956522 | 100% |
| KMD 53 | 20.66 | Load Claim | NMC956523 | 100% |
| KMD 54 | 20.66 | Load Claim | NMC956524 | 100% |
| KMD 55 | 20.66 | Load Claim | NMC956525 | 100% |
| KMD 56 | 20.66 | Load Claim | NMC956526 | 100% |
| KMD 57 | 9.65 | Load Claim | NMC1049633 | 100% |
| KMD 58 | 4.68 | Load Claim | NMC1049634 | 100% |
| KMD 59 | 20.66 | Load Claim | NMC979428 | 100% |
| KMD 60 | 12.57 | Load Claim | NMC979429 | 100% |
| KMD 61 | 20.66 | Load Claim | NMC979430 | 100% |
| KMD 62 | 14.05 | Load Claim | NMC979431 | 100% |
| KMD 63 | 20.66 | Load Claim | NMC979432 | 100% |
| KMD 64 | 8.55 | Load Claim | NMC979433 | 100% |
| KMD 65 | 20.66 | Load Claim | NMC979434 | 100% |
| KMD 66 | 8.46 | Load Claim | NMC979435 | 100% |
| KMD 67 | 20.66 | Load Claim | NMC979436 | 100% |
| KMD 68 | 12.68 | Load Claim | NMC979437 | 100% |
| KMD 69 | 20.66 | Load Claim | NMC979438 | 100% |

Tenement list at 31 March 2016

| Land Description | Area (acres) | Type | Patent / Claim Number | Nevada Iron Interest in Land |
|-------------------------|---------------------|-------------|------------------------------|-------------------------------------|
| KMD 70 | 9.74 | Load Claim | NMC979439 | 100% |
| NvFe 1 | 18.78 | Load Claim | NMC1045283 | 100% |
| NvFe 2 | 20.36 | Load Claim | NMC1045284 | 100% |
| NvFe 3 | 18.16 | Load Claim | NMC1045285 | 100% |
| NvFe 4 | 18.02 | Load Claim | NMC1045286 | 100% |
| NvFe 5 | 17.88 | Load Claim | NMC1045287 | 100% |
| NvFe 6 | 17.74 | Load Claim | NMC1045288 | 100% |
| NvFe 7 | 17.59 | Load Claim | NMC1045289 | 100% |
| NvFe 8 | 15.01 | Load Claim | NMC1045290 | 100% |
| NvFe 9 | 20.66 | Load Claim | NMC1068429 | 100% |
| NvFe 10 | 20.66 | Load Claim | NMC1068430 | 100% |
| NvFe 11 | 20.66 | Load Claim | NMC1068431 | 100% |
| NvFe 12 | 20.66 | Load Claim | NMC1068432 | 100% |
| NvFe 13 | 20.66 | Load Claim | NMC1068433 | 100% |
| NvFe 14 | 20.66 | Load Claim | NMC1068434 | 100% |
| NvFe 15 | 20.66 | Load Claim | NMC1068435 | 100% |
| NvFe 16 | 20.66 | Load Claim | NMC1068436 | 100% |
| NvFe 17 | 20.66 | Load Claim | NMC1068437 | 100% |
| NvFe 18 | 17.46 | Load Claim | NMC1068438 | 100% |
| NvFe 19 | 16.93 | Load Claim | NMC1068439 | 100% |
| NvFe 20 | 6.13 | Load Claim | NMC1075996 | 100% |
| NvFe 21 | 11.26 | Load Claim | NMC1075997 | 100% |
| NvFe 22 | 9.53 | Load Claim | NMC1075998 | 100% |
| NvFe 23 | 12.61 | Load Claim | NMC1075999 | 100% |
| NvFe 24 | 20.66 | Load Claim | NMC1076000 | 100% |
| NvFe 25 | 20.66 | Load Claim | NMC1076001 | 100% |
| NvFe 26 | 20.66 | Load Claim | NMC1076002 | 100% |
| NvFe 27 | 20.66 | Load Claim | NMC1076003 | 100% |
| NvFe 28 | 20.66 | Load Claim | NMC1076004 | 100% |
| NvFe 29 | 20.66 | Load Claim | NMC1076005 | 100% |
| NvFe 30 | 20.66 | Load Claim | NMC1076006 | 100% |
| NvFe 31 | 20.66 | Load Claim | NMC1076007 | 100% |
| NvFe 32 | 20.66 | Load Claim | NMC1076008 | 100% |
| NvFe 33 | 20.66 | Load Claim | NMC1076009 | 100% |
| NvFe 34 | 20.66 | Load Claim | NMC1076010 | 100% |
| NvFe 35 | 20.66 | Load Claim | NMC1076011 | 100% |
| NvFe 36 | 20.66 | Load Claim | NMC1076012 | 100% |
| NvFe 37 | 20.66 | Load Claim | NMC1076013 | 100% |
| NvFe 38 | 20.66 | Load Claim | NMC1076014 | 100% |
| NvFe 39 | 20.66 | Load Claim | NMC1076015 | 100% |
| NvFe 40 | 20.66 | Load Claim | NMC1076016 | 100% |
| NvFe 41 | 20.66 | Load Claim | NMC1076017 | 100% |
| NvFe 42 | 20.66 | Load Claim | NMC1076018 | 100% |
| NvFe 43 | 20.66 | Load Claim | NMC1076019 | 100% |
| NvFe 44 | 20.66 | Load Claim | NMC1076020 | 100% |

Tenement list at 31 March 2016

| Land Description | Area (acres) | Type | Patent / Claim Number | Nevada Iron Interest in Land |
|-------------------------|---------------------|-------------|------------------------------|-------------------------------------|
| NvFe 45 | 20.66 | Load Claim | NMC1076021 | 100% |
| NvFe 46 | 17.41 | Load Claim | NMC1076022 | 100% |
| NvFe 47 | 20.66 | Load Claim | NMC1076023 | 100% |
| NvFe 48 | 16.84 | Load Claim | NMC1076024 | 100% |
| NvFe 49 | 20.66 | Load Claim | NMC1076025 | 100% |
| NvFe 50 | 16.73 | Load Claim | NMC1076026 | 100% |
| NvFe 51 | 20.66 | Load Claim | NMC1076027 | 100% |
| NvFe 52 | 16.62 | Load Claim | NMC1076028 | 100% |
| NvFe 53 | 20.66 | Load Claim | NMC1076029 | 100% |
| NvFe 54 | 16.51 | Load Claim | NMC1076030 | 100% |
| NvFe 55 | 20.66 | Load Claim | NMC1076031 | 100% |
| NvFe 56 | 16.40 | Load Claim | NMC1076032 | 100% |
| NvFe 57 | 20.66 | Load Claim | NMC1076033 | 100% |
| NvFe 58 | 16.29 | Load Claim | NMC1076034 | 100% |
| NvFe 59 | 20.66 | Load Claim | NMC1076035 | 100% |
| NvFe 60 | 16.18 | Load Claim | NMC1076036 | 100% |
| NvFe 61 | 20.66 | Load Claim | NMC1076037 | 100% |
| NvFe 62 | 16.07 | Load Claim | NMC1076038 | 100% |
| NvFe 63 | 20.66 | Load Claim | NMC1076039 | 100% |
| NvFe 64 | 15.96 | Load Claim | NMC1076040 | 100% |
| NvFe 65 | 8.21 | Load Claim | NMC1076041 | 100% |
| NvFe 66 | 8.43 | Load Claim | NMC1076042 | 100% |
| NvFe 67 | 9.12 | Load Claim | NMC1076043 | 100% |
| NvFe 68 | 9.82 | Load Claim | NMC1076044 | 100% |
| NvFe 69 | 20.66 | Load Claim | NMC1076045 | 100% |
| NvFe 70 | 20.66 | Load Claim | NMC1076046 | 100% |
| NvFe 71 | 20.66 | Load Claim | NMC1076047 | 100% |
| NvFe 72 | 20.66 | Load Claim | NMC1076048 | 100% |
| NvFe 73 | 20.66 | Load Claim | NMC1076049 | 100% |
| NvFe 74 | 20.66 | Load Claim | NMC1076050 | 100% |
| NvFe 75 | 20.66 | Load Claim | NMC1076051 | 100% |
| NvFe 76 | 20.66 | Load Claim | NMC1076052 | 100% |
| NvFe 77 | 20.66 | Load Claim | NMC1076053 | 100% |
| NvFe 78 | 20.66 | Load Claim | NMC1076054 | 100% |
| NvFe 79 | 20.66 | Load Claim | NMC1076055 | 100% |
| NvFe 80 | 20.66 | Load Claim | NMC1076056 | 100% |
| NvFe 81 | 20.66 | Load Claim | NMC1076057 | 100% |
| NvFe 82 | 20.66 | Load Claim | NMC1076058 | 100% |
| NvFe 83 | 20.66 | Load Claim | NMC1076059 | 100% |
| NvFe 84 | 20.66 | Load Claim | NMC1076060 | 100% |
| NvFe 85 | 20.66 | Load Claim | NMC1076061 | 100% |
| NvFe 86 | 20.66 | Load Claim | NMC1076062 | 100% |
| NvFe 87 | 20.66 | Load Claim | NMC1076063 | 100% |
| NvFe 88 | 20.66 | Load Claim | NMC1076064 | 100% |
| NvFe 89 | 20.66 | Load Claim | NMC1076065 | 100% |

Tenement list at 31 March 2016

| Land Description | Area (acres) | Type | Patent / Claim Number | Nevada Iron Interest in Land |
|-------------------------|---------------------|-------------|------------------------------|-------------------------------------|
| NvFe 90 | 20.59 | Load Claim | NMC1076066 | 100% |
| NvFe 91 | 20.66 | Load Claim | NMC1076067 | 100% |
| NvFe 92 | 20.45 | Load Claim | NMC1076068 | 100% |
| NvFe 93 | 20.66 | Load Claim | NMC1076069 | 100% |
| NvFe 94 | 20.34 | Load Claim | NMC1076070 | 100% |
| NvFe 95 | 20.66 | Load Claim | NMC1076071 | 100% |
| NvFe 96 | 20.23 | Load Claim | NMC1076072 | 100% |
| NvFe 97 | 20.66 | Load Claim | NMC1076073 | 100% |
| NvFe 98 | 20.12 | Load Claim | NMC1076074 | 100% |
| NvFe 99 | 20.66 | Load Claim | NMC1076075 | 100% |
| NvFe 100 | 20.01 | Load Claim | NMC1076076 | 100% |
| NvFe 101 | 20.66 | Load Claim | NMC1076077 | 100% |
| NvFe 102 | 19.90 | Load Claim | NMC1076078 | 100% |
| NvFe 103 | 20.66 | Load Claim | NMC1076079 | 100% |
| NvFe 104 | 20.62 | Load Claim | NMC1076080 | 100% |
| NvFe 105 | 20.66 | Load Claim | NMC1076081 | 100% |
| NvFe 106 | 20.66 | Load Claim | NMC1076082 | 100% |
| NvFe 108 | 1.36 | Load Claim | NMC1076083 | 100% |
| NvFe 109 | 19.28 | Load Claim | NMC1076084 | 100% |
| NvFe 110 | 18.68 | Load Claim | NMC1076085 | 100% |
| NvFe 111 | 20.66 | Load Claim | NMC1076086 | 100% |
| NvFe 112 | 20.66 | Load Claim | NMC1076087 | 100% |
| NvFe 113 | 17.78 | Load Claim | NMC1076088 | 100% |
| NvFe 114 | 20.66 | Load Claim | NMC1076089 | 100% |
| NvFe 115 | 20.66 | Load Claim | NMC1076090 | 100% |
| IM 101 | 18.16 | Load Claim | 1084094 | 100% - Lease from NNR |
| IM 102 | 20.66 | Load Claim | 1084095 | 100% - Lease from NNR |
| IM 103 | 18.22 | Load Claim | 1084096 | 100% - Lease from NNR |
| IM 104 | 20.66 | Load Claim | 1084097 | 100% - Lease from NNR |
| IM 105 | 18.29 | Load Claim | 1084098 | 100% - Lease from NNR |
| IM 106 | 20.66 | Load Claim | 1084099 | 100% - Lease from NNR |
| IM 107 | 18.35 | Load Claim | 1084100 | 100% - Lease from NNR |
| IM 108 | 20.66 | Load Claim | 1084101 | 100% - Lease from NNR |
| IM 109 | 18.74 | Load Claim | 1084102 | 100% - Lease from NNR |
| IM 110 | 20.66 | Load Claim | 1084103 | 100% - Lease from NNR |
| IM 111 | 20.66 | Load Claim | 1084104 | 100% - Lease from NNR |
| IM 112 | 20.66 | Load Claim | 1084105 | 100% - Lease from NNR |
| IM 113 | 20.66 | Load Claim | 1084106 | 100% - Lease from NNR |
| IM 114 | 20.66 | Load Claim | 1084107 | 100% - Lease from NNR |
| IM 115 | 20.66 | Load Claim | 1084108 | 100% - Lease from NNR |
| IM 116 | 20.66 | Load Claim | 1084109 | 100% - Lease from NNR |
| IM 117 | 20.66 | Load Claim | 1084110 | 100% - Lease from NNR |
| IM 118 | 20.66 | Load Claim | 1084111 | 100% - Lease from NNR |
| IM 119 | 20.66 | Load Claim | 1084112 | 100% - Lease from NNR |
| IM 120 | 20.66 | Load Claim | 1084113 | 100% - Lease from NNR |

Tenement list at 31 March 2016

| Land Description | Area (acres) | Type | Patent / Claim Number | Nevada Iron Interest in Land |
|-------------------------|---------------------|-------------|------------------------------|-------------------------------------|
| IM 121 | 20.66 | Load Claim | 1084114 | 100% - Lease from NNR |
| IM 122 | 20.66 | Load Claim | 1084115 | 100% - Lease from NNR |
| IM 123 | 20.66 | Load Claim | 1084116 | 100% - Lease from NNR |
| IM 124 | 20.66 | Load Claim | 1084117 | 100% - Lease from NNR |
| IM 125 | 20.66 | Load Claim | 1084118 | 100% - Lease from NNR |
| IM 126 | 20.66 | Load Claim | 1084119 | 100% - Lease from NNR |
| IM 127 | 20.17 | Load Claim | 1084120 | 100% - Lease from NNR |
| IM 128 | 20.66 | Load Claim | 1084121 | 100% - Lease from NNR |
| IM 129 | 19.10 | Load Claim | 1084122 | 100% - Lease from NNR |
| IM 130 | 20.66 | Load Claim | 1084123 | 100% - Lease from NNR |
| IM 131 | 19.14 | Load Claim | 1084124 | 100% - Lease from NNR |
| IM 132 | 20.66 | Load Claim | 1084125 | 100% - Lease from NNR |
| IM 133 | 19.18 | Load Claim | 1084126 | 100% - Lease from NNR |
| IM 134 | 20.66 | Load Claim | 1084127 | 100% - Lease from NNR |
| IM 135 | 19.21 | Load Claim | 1084128 | 100% - Lease from NNR |
| IM 136 | 20.66 | Load Claim | 1084129 | 100% - Lease from NNR |
| IM 137 | 20.45 | Load Claim | 1084130 | 100% - Lease from NNR |
| IM 138 | 20.66 | Load Claim | 1084131 | 100% - Lease from NNR |
| IM 139 | 20.66 | Load Claim | 1084132 | 100% - Lease from NNR |
| IM 140 | 20.66 | Load Claim | 1084133 | 100% - Lease from NNR |
| IM 141 | 20.66 | Load Claim | 1084134 | 100% - Lease from NNR |
| IM 142 | 20.66 | Load Claim | 1084135 | 100% - Lease from NNR |
| IM 143 | 20.66 | Load Claim | 1084136 | 100% - Lease from NNR |
| IM 144 | 20.66 | Load Claim | 1084137 | 100% - Lease from NNR |
| IM 145 | 20.66 | Load Claim | 1084138 | 100% - Lease from NNR |
| IM 146 | 20.66 | Load Claim | 1084139 | 100% - Lease from NNR |
| IM 147 | 20.66 | Load Claim | 1084140 | 100% - Lease from NNR |
| IM 148 | 20.66 | Load Claim | 1084141 | 100% - Lease from NNR |
| IM 149 | 20.66 | Load Claim | 1084142 | 100% - Lease from NNR |
| IM 150 | 20.66 | Load Claim | 1084143 | 100% - Lease from NNR |
| IM 151 | 20.66 | Load Claim | 1084144 | 100% - Lease from NNR |
| IM 152 | 20.66 | Load Claim | 1084145 | 100% - Lease from NNR |
| IM 153 | 20.66 | Load Claim | 1084146 | 100% - Lease from NNR |
| IM 154 | 20.66 | Load Claim | 1084147 | 100% - Lease from NNR |
| IM 155 | 20.66 | Load Claim | 1084148 | 100% - Lease from NNR |
| IM 156 | 20.66 | Load Claim | 1084149 | 100% - Lease from NNR |
| IM 157 | 20.66 | Load Claim | 1084150 | 100% - Lease from NNR |
| IM 158 | 20.66 | Load Claim | 1084151 | 100% - Lease from NNR |
| IM 159 | 20.66 | Load Claim | 1084152 | 100% - Lease from NNR |
| IM 160 | 20.66 | Load Claim | 1084153 | 100% - Lease from NNR |
| IM 161 | 20.66 | Load Claim | 1084154 | 100% - Lease from NNR |
| IM 162 | 20.66 | Load Claim | 1084155 | 100% - Lease from NNR |
| IM 163 | 20.66 | Load Claim | 1084156 | 100% - Lease from NNR |
| IM 164 | 20.66 | Load Claim | 1084157 | 100% - Lease from NNR |
| IM 165 | 20.66 | Load Claim | 1084158 | 100% - Lease from NNR |

Tenement list at 31 March 2016

| Land Description | Area (acres) | Type | Patent / Claim Number | Nevada Iron Interest in Land |
|-------------------------|---------------------|-------------|------------------------------|-------------------------------------|
| IM 166 | 20.66 | Load Claim | 1084159 | 100% - Lease from NNR |
| IM 167 | 20.66 | Load Claim | 1084160 | 100% - Lease from NNR |
| IM 168 | 20.66 | Load Claim | 1084161 | 100% - Lease from NNR |
| IM 169 | 20.66 | Load Claim | 1084162 | 100% - Lease from NNR |
| IM 170 | 20.66 | Load Claim | 1084163 | 100% - Lease from NNR |
| IM 171 | 20.66 | Load Claim | 1084164 | 100% - Lease from NNR |
| IM 172 | 20.66 | Load Claim | 1084165 | 100% - Lease from NNR |
| IM 173 | 20.66 | Load Claim | 1084166 | 100% - Lease from NNR |
| IM 174 | 20.66 | Load Claim | 1084167 | 100% - Lease from NNR |
| IM 175 | 20.66 | Load Claim | 1084168 | 100% - Lease from NNR |
| IM 176 | 20.66 | Load Claim | 1084169 | 100% - Lease from NNR |
| IM 177 | 20.66 | Load Claim | 1084170 | 100% - Lease from NNR |
| IM 178 | 20.66 | Load Claim | 1084171 | 100% - Lease from NNR |
| IM 179 | 20.66 | Load Claim | 1084172 | 100% - Lease from NNR |
| IM 180 | 20.66 | Load Claim | 1084173 | 100% - Lease from NNR |
| IM 181 | 9.24 | Load Claim | 1084174 | 100% - Lease from NNR |
| IM 182 | 17.88 | Load Claim | 1084175 | 100% - Lease from NNR |
| IM 183 | 10.45 | Load Claim | 1084176 | 100% - Lease from NNR |
| IM 184 | 20.66 | Load Claim | 1084177 | 100% - Lease from NNR |
| IM 185 | 6.91 | Load Claim | 1084178 | 100% - Lease from NNR |
| IM 186 | 20.66 | Load Claim | 1084179 | 100% - Lease from NNR |
| IM 187 | 2.18 | Load Claim | 1084180 | 100% - Lease from NNR |
| IM 188 | 20.66 | Load Claim | 1084181 | 100% - Lease from NNR |
| IM 189 | 2.18 | Load Claim | 1084182 | 100% - Lease from NNR |
| IM 190 | 20.66 | Load Claim | 1084183 | 100% - Lease from NNR |
| IM 191 | 19.34 | Load Claim | 1084184 | 100% - Lease from NNR |
| IM 192 | 20.66 | Load Claim | 1084185 | 100% - Lease from NNR |
| IM 193 | 20.66 | Load Claim | 1084186 | 100% - Lease from NNR |
| IM 194 | 20.66 | Load Claim | 1084187 | 100% - Lease from NNR |
| IM 195 | 20.66 | Load Claim | 1084188 | 100% - Lease from NNR |
| IM 196 | 20.66 | Load Claim | 1084189 | 100% - Lease from NNR |
| IM 197 | 20.66 | Load Claim | 1084190 | 100% - Lease from NNR |
| IM 198 | 20.66 | Load Claim | 1084191 | 100% - Lease from NNR |
| IM 199 | 20.66 | Load Claim | 1084192 | 100% - Lease from NNR |
| IM 200 | 20.66 | Load Claim | 1084193 | 100% - Lease from NNR |
| IM 201 | 20.66 | Load Claim | 1084194 | 100% - Lease from NNR |
| IM 202 | 20.66 | Load Claim | 1084195 | 100% - Lease from NNR |
| IM 203 | 20.66 | Load Claim | 1084196 | 100% - Lease from NNR |
| IM 204 | 20.66 | Load Claim | 1084197 | 100% - Lease from NNR |
| IM 205 | 20.66 | Load Claim | 1084198 | 100% - Lease from NNR |
| IM 206 | 20.66 | Load Claim | 1084199 | 100% - Lease from NNR |
| IM 207 | 20.66 | Load Claim | 1084200 | 100% - Lease from NNR |
| IM 208 | 20.66 | Load Claim | 1084201 | 100% - Lease from NNR |
| IM 209 | 20.66 | Load Claim | 1084202 | 100% - Lease from NNR |
| IM 210 | 20.66 | Load Claim | 1084203 | 100% - Lease from NNR |

Tenement list at 31 March 2016

| Land Description | Area (acres) | Type | Patent / Claim Number | Nevada Iron Interest in Land |
|-------------------------|---------------------|-------------|------------------------------|-------------------------------------|
| IM 211 | 20.66 | Load Claim | 1084204 | 100% - Lease from NNR |
| IM 212 | 20.66 | Load Claim | 1084205 | 100% - Lease from NNR |
| IM 213 | 20.66 | Load Claim | 1084206 | 100% - Lease from NNR |
| IM 214 | 20.66 | Load Claim | 1084207 | 100% - Lease from NNR |
| IM 215 | 20.66 | Load Claim | 1084208 | 100% - Lease from NNR |
| IM 216 | 20.66 | Load Claim | 1084209 | 100% - Lease from NNR |
| IM 217 | 20.66 | Load Claim | 1084210 | 100% - Lease from NNR |
| IM 218 | 20.66 | Load Claim | 1084211 | 100% - Lease from NNR |
| IM 219 | 20.66 | Load Claim | 1084212 | 100% - Lease from NNR |
| IM 220 | 20.66 | Load Claim | 1084213 | 100% - Lease from NNR |
| IM 221 | 20.66 | Load Claim | 1084214 | 100% - Lease from NNR |
| IM 222 | 20.66 | Load Claim | 1084215 | 100% - Lease from NNR |
| IM 223 | 20.66 | Load Claim | 1084216 | 100% - Lease from NNR |
| IM 224 | 20.66 | Load Claim | 1084217 | 100% - Lease from NNR |
| IM 225 | 20.66 | Load Claim | 1084218 | 100% - Lease from NNR |
| IM 226 | 20.66 | Load Claim | 1084219 | 100% - Lease from NNR |
| IM 227 | 20.66 | Load Claim | 1084220 | 100% - Lease from NNR |
| IM 228 | 20.66 | Load Claim | 1084221 | 100% - Lease from NNR |
| IM 229 | 20.66 | Load Claim | 1084222 | 100% - Lease from NNR |
| IM 230 | 20.66 | Load Claim | 1084223 | 100% - Lease from NNR |
| IM 231 | 20.66 | Load Claim | 1084224 | 100% - Lease from NNR |
| IM 232 | 20.66 | Load Claim | 1084225 | 100% - Lease from NNR |
| IM 233 | 20.66 | Load Claim | 1084226 | 100% - Lease from NNR |
| IM 234 | 20.66 | Load Claim | 1084227 | 100% - Lease from NNR |
| IM 235 | 6.89 | Load Claim | 1084228 | 100% - Lease from NNR |
| IM 236 | 6.89 | Load Claim | 1084229 | 100% - Lease from NNR |
| IM 237 | 13.43 | Load Claim | 1084230 | 100% - Lease from NNR |
| IM 238 | 2.53 | Load Claim | 1084231 | 100% - Lease from NNR |
| IM 239 | 10.04 | Load Claim | 1084232 | 100% - Lease from NNR |
| IM 240 | 19.62 | Load Claim | 1084233 | 100% - Lease from NNR |
| IM 241 | 10.12 | Load Claim | 1084234 | 100% - Lease from NNR |
| IM 242 | 20.66 | Load Claim | 1084235 | 100% - Lease from NNR |
| IM 243 | 10.20 | Load Claim | 1084236 | 100% - Lease from NNR |
| IM 244 | 20.66 | Load Claim | 1084237 | 100% - Lease from NNR |
| IM 245 | 10.27 | Load Claim | 1084238 | 100% - Lease from NNR |
| IM 246 | 20.66 | Load Claim | 1084239 | 100% - Lease from NNR |
| IM 247 | 10.35 | Load Claim | 1084240 | 100% - Lease from NNR |
| IM 248 | 20.66 | Load Claim | 1084241 | 100% - Lease from NNR |
| IM 249 | 10.42 | Load Claim | 1084242 | 100% - Lease from NNR |
| IM 250 | 20.66 | Load Claim | 1084243 | 100% - Lease from NNR |
| IM 251 | 10.50 | Load Claim | 1084244 | 100% - Lease from NNR |
| IM 252 | 20.66 | Load Claim | 1084245 | 100% - Lease from NNR |
| IM 253 | 10.57 | Load Claim | 1084246 | 100% - Lease from NNR |
| IM 254 | 20.66 | Load Claim | 1084247 | 100% - Lease from NNR |
| IM 255 | 18.00 | Load Claim | 1084248 | 100% - Lease from NNR |

Tenement list at 31 March 2016

| Land Description | Area (acres) | Type | Patent / Claim Number | Nevada Iron Interest in Land |
|-------------------------|---------------------|-------------|------------------------------|-------------------------------------|
| IM 256 | 20.66 | Load Claim | 1084249 | 100% - Lease from NNR |
| IM 257 | 20.66 | Load Claim | 1084250 | 100% - Lease from NNR |
| IM 258 | 20.66 | Load Claim | 1084251 | 100% - Lease from NNR |
| IM 259 | 20.66 | Load Claim | 1084252 | 100% - Lease from NNR |
| IM 260 | 20.66 | Load Claim | 1084253 | 100% - Lease from NNR |
| IM 261 | 20.66 | Load Claim | 1084254 | 100% - Lease from NNR |
| IM 262 | 20.66 | Load Claim | 1084255 | 100% - Lease from NNR |
| IM 263 | 20.66 | Load Claim | 1084256 | 100% - Lease from NNR |
| IM 264 | 20.66 | Load Claim | 1084257 | 100% - Lease from NNR |
| IM 265 | 20.66 | Load Claim | 1084258 | 100% - Lease from NNR |
| IM 266 | 20.66 | Load Claim | 1084259 | 100% - Lease from NNR |
| IM 267 | 20.66 | Load Claim | 1084260 | 100% - Lease from NNR |
| IM 268 | 20.66 | Load Claim | 1084261 | 100% - Lease from NNR |
| IM 269 | 20.66 | Load Claim | 1084262 | 100% - Lease from NNR |
| IM 270 | 20.66 | Load Claim | 1084263 | 100% - Lease from NNR |
| IM 271 | 20.66 | Load Claim | 1084264 | 100% - Lease from NNR |
| IM 272 | 20.66 | Load Claim | 1084265 | 100% - Lease from NNR |
| IM 273 | 20.66 | Load Claim | 1084266 | 100% - Lease from NNR |
| IM 274 | 20.66 | Load Claim | 1084267 | 100% - Lease from NNR |
| IM 275 | 20.66 | Load Claim | 1084268 | 100% - Lease from NNR |
| IM 276 | 20.66 | Load Claim | 1084269 | 100% - Lease from NNR |
| IM 277 | 20.66 | Load Claim | 1084270 | 100% - Lease from NNR |
| IM 278 | 20.66 | Load Claim | 1084271 | 100% - Lease from NNR |
| IM 279 | 19.65 | Load Claim | 1084272 | 100% - Lease from NNR |
| IM 280 | 20.66 | Load Claim | 1084273 | 100% - Lease from NNR |
| IM 281 | 16.42 | Load Claim | 1084274 | 100% - Lease from NNR |
| IM 282 | 20.66 | Load Claim | 1084275 | 100% - Lease from NNR |
| IM 283 | 5.50 | Load Claim | 1084276 | 100% - Lease from NNR |
| IM 284 | 6.89 | Load Claim | 1084277 | 100% - Lease from NNR |
| IM 285 | 19.64 | Load Claim | 1084278 | 100% - Lease from NNR |
| IM 286 | 20.66 | Load Claim | 1084279 | 100% - Lease from NNR |
| IM 287 | 20.66 | Load Claim | 1084280 | 100% - Lease from NNR |
| IM 288 | 20.66 | Load Claim | 1084281 | 100% - Lease from NNR |
| IM 289 | 20.66 | Load Claim | 1084282 | 100% - Lease from NNR |
| IM 290 | 20.66 | Load Claim | 1084283 | 100% - Lease from NNR |
| IM 291 | 14.72 | Load Claim | 1084284 | 100% - Lease from NNR |
| IM 292 | 15.41 | Load Claim | 1084285 | 100% - Lease from NNR |
| IM 293 | 19.51 | Load Claim | 1084286 | 100% - Lease from NNR |
| IM 294 | 13.44 | Load Claim | 1084287 | 100% - Lease from NNR |
| IM 295 | 12.07 | Load Claim | 1084288 | 100% - Lease from NNR |
| IM 296 | 8.34 | Load Claim | 1084289 | 100% - Lease from NNR |
| IM 297 | 3.36 | Load Claim | 1084290 | 100% - Lease from NNR |
| IM 298 | 20.66 | Load Claim | 1084291 | 100% - Lease from NNR |
| IM 299 | 20.66 | Load Claim | 1084292 | 100% - Lease from NNR |
| IM 300 | 20.66 | Load Claim | 1084293 | 100% - Lease from NNR |

Tenement list at 31 March 2016

| Land Description | Area (acres) | Type | Patent / Claim Number | Nevada Iron Interest in Land |
|-------------------------|---------------------|-------------|------------------------------|-------------------------------------|
| IM 301 | 20.66 | Load Claim | 1084294 | 100% - Lease from NNR |
| IM 302 | 20.66 | Load Claim | 1084295 | 100% - Lease from NNR |
| IM 303 | 20.66 | Load Claim | 1084296 | 100% - Lease from NNR |
| IM 304 | 20.66 | Load Claim | 1084297 | 100% - Lease from NNR |
| IM 305 | 20.66 | Load Claim | 1084298 | 100% - Lease from NNR |
| IM 306 | 14.05 | Load Claim | 1084299 | 100% - Lease from NNR |
| IM 307 | 5.95 | Load Claim | 1084300 | 100% - Lease from NNR |
| IM 308 | 7.93 | Load Claim | 1084301 | 100% - Lease from NNR |
| IM 309 | 9.01 | Load Claim | 1084302 | 100% - Lease from NNR |
| IM 310 | 12.06 | Load Claim | 1084303 | 100% - Lease from NNR |
| IM 311 | 12.53 | Load Claim | 1084304 | 100% - Lease from NNR |
| IM 312 | 3.69 | Load Claim | 1084305 | 100% - Lease from NNR |
| IM 313 | 13.76 | Load Claim | 1084306 | 100% - Lease from NNR |
| IM 314 | 14.35 | Load Claim | 1084307 | 100% - Lease from NNR |
| IM 315 | 12.83 | Load Claim | 1084308 | 100% - Lease from NNR |
| IM 316 | 14.35 | Load Claim | 1084309 | 100% - Lease from NNR |
| IM 317 | 3.44 | Load Claim | 1084310 | 100% - Lease from NNR |
| IM 318 | 7.71 | Load Claim | 1084311 | 100% - Lease from NNR |
| IM 319 | 5.21 | Load Claim | 1084312 | 100% - Lease from NNR |
| IM 320 | 18.01 | Load Claim | 1084313 | 100% - Lease from NNR |
| IM 321 | 19.13 | Load Claim | 1084314 | 100% - Lease from NNR |
| IM 322 | 19.05 | Load Claim | 1084315 | 100% - Lease from NNR |
| IM 323 | 18.96 | Load Claim | 1084316 | 100% - Lease from NNR |
| IM 324 | 18.88 | Load Claim | 1084317 | 100% - Lease from NNR |
| IM 325 | 18.79 | Load Claim | 1084318 | 100% - Lease from NNR |
| IM 326 | 18.71 | Load Claim | 1084319 | 100% - Lease from NNR |
| IM 327 | 18.62 | Load Claim | 1084320 | 100% - Lease from NNR |
| IM 328 | 17.12 | Load Claim | 1084321 | 100% - Lease from NNR |
| IM 329 | 15.60 | Load Claim | 1084322 | 100% - Lease from NNR |
| IM 330 | 20.66 | Load Claim | 1084323 | 100% - Lease from NNR |
| IM 331 | 20.66 | Load Claim | 1084324 | 100% - Lease from NNR |
| IM 332 | 20.66 | Load Claim | 1084325 | 100% - Lease from NNR |
| IM 333 | 20.66 | Load Claim | 1084326 | 100% - Lease from NNR |
| IM 334 | 20.66 | Load Claim | 1084327 | 100% - Lease from NNR |
| IM 335 | 20.66 | Load Claim | 1084328 | 100% - Lease from NNR |
| IM 336 | 20.66 | Load Claim | 1084329 | 100% - Lease from NNR |
| IM 337 | 20.66 | Load Claim | 1084330 | 100% - Lease from NNR |
| IM 338 | 3.38 | Load Claim | 1084331 | 100% - Lease from NNR |
| IM 339 | 9.01 | Load Claim | 1084332 | 100% - Lease from NNR |
| IM 340 | 14.85 | Load Claim | 1084333 | 100% - Lease from NNR |
| IM 341 | 16.92 | Load Claim | 1084334 | 100% - Lease from NNR |
| IM 342 | 20.19 | Load Claim | 1084335 | 100% - Lease from NNR |
| IM 343 | 14.44 | Load Claim | 1084336 | 100% - Lease from NNR |
| IM 344 | 16.21 | Load Claim | 1084337 | 100% - Lease from NNR |
| IM 345 | 16.56 | Load Claim | 1084338 | 100% - Lease from NNR |

Tenement list at 31 March 2016

| Land Description | Area (acres) | Type | Patent / Claim Number | Nevada Iron Interest in Land |
|-------------------------|---------------------|-----------------|------------------------------|-------------------------------------|
| IM 346 | 10.10 | Load Claim | 1084339 | 100% - Lease from NNR |
| IM 383 | 19.12 | Load Claim | 1084376 | 100% - Lease from NNR |
| IM 384 | 19.96 | Load Claim | 1084377 | 100% - Lease from NNR |
| IM 385 | 19.87 | Load Claim | 1084378 | 100% - Lease from NNR |
| IM 386 | 19.77 | Load Claim | 1084379 | 100% - Lease from NNR |
| IM 387 | 19.68 | Load Claim | 1084380 | 100% - Lease from NNR |
| IM 388 | 19.58 | Load Claim | 1084381 | 100% - Lease from NNR |
| IM 389 | 19.47 | Load Claim | 1084382 | 100% - Lease from NNR |
| IM 390 | 19.37 | Load Claim | 1084383 | 100% - Lease from NNR |
| IM 391 | 16.25 | Load Claim | 1084384 | 100% - Lease from NNR |
| IM 392 | 0.21 | Load Claim | 1091072 | 100% - Lease from NNR |
| HNVFe1 | 3.12 | Mill Site Claim | | 100% NV Iron |
| HNVFe2 | 3.29 | Mill Site Claim | | 100% NV Iron |
| HNVFe3 | 3.29 | Mill Site Claim | | 100% NV Iron |
| HNVFe4 | 3.29 | Mill Site Claim | | 100% NV Iron |
| HNVFe5 | 3.21 | Mill Site Claim | | 100% NV Iron |
| HNVFe6 | 3.05 | Mill Site Claim | | 100% NV Iron |
| HNVFe7 | 2.89 | Mill Site Claim | | 100% NV Iron |
| HNVFe8 | 2.73 | Mill Site Claim | | 100% NV Iron |
| HNVFe9 | 2.57 | Mill Site Claim | | 100% NV Iron |
| HNVFe10 | 2.41 | Mill Site Claim | | 100% NV Iron |
| HNVFe11 | 1.99 | Mill Site Claim | | 100% NV Iron |
| HNVFe12 | 1.37 | Mill Site Claim | | 100% NV Iron |
| HNVFe13 | 0.99 | Mill Site Claim | | 100% NV Iron |
| HNVFe14 | 0.88 | Mill Site Claim | | 100% NV Iron |
| HNVFe15 | 0.83 | Mill Site Claim | | 100% NV Iron |
| HNVFe16 | 1.06 | Mill Site Claim | | 100% NV Iron |
| HNVFe17 | 0.19 | Mill Site Claim | | 100% NV Iron |
| HNVFe18 | 1.26 | Mill Site Claim | | 100% NV Iron |
| HNVFe19 | 1.63 | Mill Site Claim | | 100% NV Iron |
| HNVFe20 | 1.56 | Mill Site Claim | | 100% NV Iron |
| HNVFe21 | 1.51 | Mill Site Claim | | 100% NV Iron |
| HNVFe22 | 1.52 | Mill Site Claim | | 100% NV Iron |
| HNVFe23 | 1.52 | Mill Site Claim | | 100% NV Iron |
| HNVFe24 | 1.35 | Mill Site Claim | | 100% NV Iron |
| HNVFe25 | 0.80 | Mill Site Claim | | 100% NV Iron |
| HNVFe26 | 3.46 | Mill Site Claim | | 100% NV Iron |
| HNVFe27 | 3.46 | Mill Site Claim | | 100% NV Iron |
| HNVFe28 | 3.46 | Mill Site Claim | | 100% NV Iron |
| HNVFe29 | 3.47 | Mill Site Claim | | 100% NV Iron |
| HNVFe30 | 3.47 | Mill Site Claim | | 100% NV Iron |
| HNVFe31 | 2.11 | Mill Site Claim | | 100% NV Iron |
| HNVFe32 | 1.53 | Mill Site Claim | | 100% NV Iron |
| HNVFe33 | 3.18 | Mill Site Claim | | 100% NV Iron |
| HNVFe34 | 3.94 | Mill Site Claim | | 100% NV Iron |

Tenement list at 31 March 2016

| Land Description | Area (acres) | Type | Patent / Claim Number | Nevada Iron Interest in Land |
|-------------------------|-------------------------|-----------------|----------------------------------|---|
| HNVFe35 | 1.37 | Mill Site Claim | | 100% NV Iron |
| HNVFe36 | 4.36 | Mill Site Claim | | 100% NV Iron |
| HNVFe37 | 3.02 | Mill Site Claim | | 100% NV Iron |
| HNVFe38 | 4.78 | Mill Site Claim | | 100% NV Iron |
| HNVFe39 | 4.12 | Mill Site Claim | | 100% NV Iron |
| HNVFe40 | 4.99 | Mill Site Claim | | 100% NV Iron |
| HNVFe41 | 4.16 | Mill Site Claim | | 100% NV Iron |
| HNVFe42 | 5.00 | Mill Site Claim | | 100% NV Iron |
| HNVFe43 | 4.17 | Mill Site Claim | | 100% NV Iron |
| HNVFe44 | 5.00 | Mill Site Claim | | 100% NV Iron |
| HNVFe45 | 3.94 | Mill Site Claim | | 100% NV Iron |
| HNVFe46 | 4.88 | Mill Site Claim | | 100% NV Iron |
| HNVFe47 | 1.06 | Mill Site Claim | | 100% NV Iron |
| HNVFe48 | 2.15 | Mill Site Claim | | 100% NV Iron |

APPENDIX 2

COMPARABLE PROJECTS

| Deal Name | Project | Jurisdiction | Date | Asset Details | Transaction Details | Resource Category | Resource Size (Mt) | Iron Grade (Fe %) | Contained Iron (Mt) | Spot Price (US\$/t) | FX Rate to USD | Transaction Price (Transaction Currency millions) | Transaction Price (US\$ millions) | Implied Value US\$/t Fe | Correction multiplier | Corrected Implied Value US\$/t Fe |
|-------------------------|--------------------|-------------------|--------|--|---|---|--------------------|-------------------|---------------------|---------------------|----------------|---|-----------------------------------|-------------------------|-----------------------|-----------------------------------|
| Northern Iron / Tschudi | Sydvaranger | Norway | Apr-16 | Sydvaranger is a developed mine in northern Norway. At 1 February 2015 the indicated and inferred resource totalled 507Mt at 31% Fe for total contained Fe of 157Mt. | In April 2016 the Tschudi Group of Norway acquired the Sydvaranger Iron Mine from Northern Iron Limited for NOK78 million (US\$9.5 million) | Measured, Indicated and Inferred resource | 507 | 31.0% | 157 | 59.58 | 1 | 9.5 | 9.50 | 0.06 | 0.86 | 0.05 |
| Champion / Cliff | Bloom Lake | Canada | Dec-15 | Bloom Lake was a developed magnetite mine located in eastern Canada. While it was under care and maintenance at the time, the processing plant was capable of production of around 7Mt per annum. Purchase included C\$42.8 million of environmental and other liabilities. Reserves are approximately 1,034Mt at 28.6% Fe, containing 296Mt Fe. | In December 2015 Champion Iron Limited purchased the Bloom Lake Mine from Cliffs Natural Resources for C\$10.5 million. | Probable reserve | 1,034 | 28.6% | 296 | 39.60 | 0.73 | 10.50 | 7.65 | 0.03 | 1.30 | 0.03 |
| Equatorial / Midas | Mayoko-Maussonndji | Republic of Congo | Aug-15 | Mayoko-Maussonndji is a development project in the Republic of Congo. Total indicated and inferred resource of 917Mt at 31.4%Fe, containing 288Mt of Fe. The project contains both hematite and magnetite ores. | In August 2015 Equatorial Resources Ltd entered a conditional agreement with Midas Global Ltd for the sale of Mayoko-Maussonndji for A\$5 million plus a 2% royalty | Indicated and Inferred resource | 917 | 31.4% | 288 | 55.38 | 0.71 | 5.00 | 3.55 | 0.01 | 0.93 | 0.01 |

| Deal Name | Project | Jurisdiction | Date | Asset Details | Transaction Details | Resource Category | Resource Size (Mt) | Iron Grade (Fe %) | Contained Iron (Mt) | Spot Price (US\$/t) | FX Rate to USD | Transaction Price (Transaction Currency millions) | Transaction Price (US\$ millions) | Implied Value US\$/t Fe | Correction multiplier | Corrected Implied Value US\$/t Fe |
|---------------------------|------------------------------|--------------|--------|--|--|---|--|-------------------|---------------------|---------------------|----------------|---|-----------------------------------|-------------------------|-----------------------|-----------------------------------|
| Flinders / Todd | Pilbara Iron Ore Project | WA | May-15 | The Pilbara Iron Ore Project (PIOP) comprises two 100% Flinders owned tenements located approximately 70km NW of Tom Price. Flinders announced an upgraded total Inferred and Indicated Resource of 1,042 million tonnes at 55.6% Fe for the PIOP. | Todd paid an option payment of A\$10m to secure the exclusive option to acquire 100% of the project, valid until 31 December 2016. On electing to exercise the option to purchase, Todd would need to pay a further A\$55m, as well as a production royalty. | Measured, Indicated and Inferred resource | 1,042 | 55.6% | 579 | 60.23 | 0.78 | 65 | 50.70 | 0.09 | 0.85 | 0.07 |
| IOH / BC Iron (DSO + Mag) | Iron Valley / bungaroo south | WA | Aug-14 | IOH holds a 100% interest in several iron properties with defined resources and reserves. These include DSO and Magnetite iron ore projects. The DSO projects are mixture of Inferred, Indicated and measured Mineral Resources totalling 542Mt at 57.4% Fe and with moderate Silica and alumina grades and relatively high Phosphorus. The main project areas are Bungaroo South and iron valley which contains a proven and probable reserve of 269Mt at 58.1%Fe. In addition to the | BC offered to purchase all of the IOH shares for 0.44 BC shares for each IOH share plus \$0.1 AUD for each share. At the time of the purchase BC share were trading at \$3.31 providing an implied value for each IOH share \$1.56. IOH also had \$52M in cash or cash equivalents at the time of the transaction. | combined | DSO tonnage 542Mt at 57% + Mag tonnage 1.1Bt at 30% Fe | | 646 | 92.63 | 0.93 | 204 | 189.72 | 0.29 | 0.55 | 0.16 |

| Deal Name | Project | Jurisdiction | Date | Asset Details | Transaction Details | Resource Category | Resource Size (Mt) | Iron Grade (Fe %) | Contained Iron (Mt) | Spot Price (US\$/t) | FX Rate to USD | Transaction Price (Transaction Currency millions) | Transaction Price (US\$ millions) | Implied Value US\$/t Fe | Correction multiplier | Corrected Implied Value US\$/t Fe |
|--------------------------|-----------------------------|--------------|--------|---|--|--|--------------------|-------------------|---------------------|---------------------|----------------|---|-----------------------------------|-------------------------|-----------------------|-----------------------------------|
| | | | | DSO IOH had defined 1.1Bt magnetite Inferred resource grading 30.4% Fe. | | | | | | | | | | | | |
| IOH / BC Iron (DSO only) | Iron Valley/bu ngaroo south | WA | Aug-14 | | | Inf, Ind, Meas resources and Prov/prob reserve | 542 | 57.4% | 311 | 92.63 | 0.93 | 204 | 189.72 | 0.61 | 0.55 | 0.34 |
| Gindalbie / Mt Gibson | Shine | WA | Mar-14 | The shine project has hematite resources (Measured, Indicated and Inferred) of 7.8Mt at 59.0% Fe, with high silica (8.7%) and moderate phos (0.08%), low alumina (1.85%). The projects are located in the Yilgarn Region 250km east of Geraldton in Western Australia | ON the 7th March Mount Gibson completed the deal for the iron ore rights to the shine project for \$15M in cash and trailing royalty. An initial Payment of \$12M followed by the remaining \$3M at commencement of mining. The Royalty provides that Gindalbie will receive 20c in the dollar for every dollar above \$115 for Platts 62% Fe, per tonne sold. | Measured Indicated (and Inferred) | 8 | 59.0% | 5 | 111.83 | 0.91 | 15 | 13.65 | 2.97 | 0.46 | 1.36 |
| Midas / Developed | Mt Phillips | Qld | Dec-13 | Midas Resources was 100% owner of MDL471, 54km SE of Mt Isa in Queensland. The tenement contained known iron ore resources an indicated resource of 19.1Mt grading 41.42% Fe and Inferred resources of 11.4Mt at | In September 2013 Midas was offered \$1.5 in cash in two payments and a 0.5% royalty. An initial \$500,000 payment due 60days after due diligence is completed and \$1M six months after the initial transfer. The deal was for iron ore | Indicated and Inferred resource | 31 | 37.0% | 11 | 135.79 | 0.89 | 1.50 | 1.34 | 0.12 | 0.38 | 0.04 |

| Deal Name | Project | Jurisdiction | Date | Asset Details | Transaction Details | Resource Category | Resource Size (Mt) | Iron Grade (Fe %) | Contained Iron (Mt) | Spot Price (US\$/t) | FX Rate to USD | Transaction Price (Transaction Currency millions) | Transaction Price (US\$ millions) | Implied Value US\$/t Fe | Correction multiplier | Corrected Implied Value US\$/t Fe |
|---------------|-----------------|--------------|--------|--|---|-------------------|--------------------|-------------------|---------------------|---------------------|----------------|---|-----------------------------------|-------------------------|-----------------------|-----------------------------------|
| | | | | 33.82% Fe | rights only Midas retained the other mineral rights on the tenement. | | | | | | | | | | | |
| IOH / Maiden | North Marillana | WA | Sep-13 | The North Marillana project comprises relatively low grade CID iron Ore. The project comprises four Mining leases located in the Pilbara Region Of WA north of BHP Yandi mine. The tenements include an Indicated Resource of 15.6Mt grading 54% Fe. | Maiden Iron has agreed to a \$2.5M cash payment and additional \$5.25M upon commencement of mining at the project. In addition a 2.5% royalty will be paid to IOH for the iron ore produced during mining. | Indicated | 16 | 54.0% | 8 | 134.19 | 0.93 | 8 | 6.98 | 0.83 | 0.38 | 0.32 |
| Haoma / Atlas | Daltons | | Mar-12 | Atlas acquired the remaining 25% of the Daltons JV from Haoma. This was an advanced asset with a defined probable reserve of 22.8Mt at 58% Fe | The 25% stake in the JV was acquired for \$33m, of which \$10m was cash and the remaining \$23M in Atlas shares. Atlas shares were valued at \$2.88 at the time of the offer. Right to the non iron ore assets remains with Haoma. This deal gave Atlas a 100% stake in the project and thus had some strategic value | Probable reserve | 23 | 58.0% | 13 | 144.66 | 1.03 | 132 | 135.96 | 10.28 | 0.36 | 3.65 |

| Deal Name | Project | Jurisdiction | Date | Asset Details | Transaction Details | Resource Category | Resource Size (Mt) | Iron Grade (Fe %) | Contained Iron (Mt) | Spot Price (US\$/t) | FX Rate to USD | Transaction Price (Transaction Currency millions) | Transaction Price (US\$ millions) | Implied Value US\$/t Fe | Correction multiplier | Corrected Implied Value US\$/t Fe |
|-----------------|--|--------------|--------|---|---|-------------------|--------------------|-------------------|---------------------|---------------------|----------------|---|-----------------------------------|-------------------------|-----------------------|-----------------------------------|
| IOH / RIO | Koodaideri South | WA | Sep-11 | The Koodaideri South project is located 10 km north of BHP Yandi and 30km north west of RTIO Yandicoogina mine in the Pilbara region. The project contains an Inferred Mineral Resource of 106Mt at 58.6% Fe and 0.14% phos, 5.1% SiO2 and 2.5% Al2O3. is very well located for infrastructure both rail and road | Rio Tinto acquired a 100% interest in the Koodaideri south projects for \$32 million in cash and a 2% FOB royalty. | Inferred | 106 | 58.6% | 62 | 177.23 | 0.97 | 32 | 31.04 | 0.50 | 0.29 | 0.14 |
| IOH / Min Res | Phil's Creek, Yandicoogina, Lamb Creek | WA | Sep-11 | The iron ore assets involved in this sale included Phil's creek - Indicated Resource of 15.5MT @ 55.6%Fe and 0.1%P. Lamb Creek - Indicated 15.2MT @ 60%Fe and 0.13% P and Inferred resources of 24.5MT @ 54.9% Fe and 0.9%P. The Yandicoogina Asset had no defined resources. | The 100% stake in the projects was acquired for a consideration of \$42Million in Cash paid over a 90 day period. | Indicated | 55 | 56.3% | 31 | 177.23 | 0.97 | 42 | 40.74 | 1.31 | 0.29 | 0.38 |
| Atlas / Ferraus | SE Pilbara | WA | Jun-11 | Atlas Sold Ferraus A suite of seven iron projects in the SE Pilbara region of WA. Collectively the projects contained combined Inferred Resources of 159Mt grading 56.5% Fe. | The projects changed hands as part of defensive strategy to avoid ferraus being acquired by Wah Nam by Atlas taking a significant blocking stake in the company. The projects changed hands for a | Inferred | 158 | 56.5% | 89 | 170.88 | 1.06 | 79 | 83.74 | 0.94 | 0.30 | 0.28 |

| Deal Name | Project | Jurisdiction | Date | Asset Details | Transaction Details | Resource Category | Resource Size (Mt) | Iron Grade (Fe %) | Contained Iron (Mt) | Spot Price (US\$/t) | FX Rate to USD | Transaction Price (Transaction Currency millions) | Transaction Price (US\$ millions) | Implied Value US\$/t Fe | Correction multiplier | Corrected Implied Value US\$/t Fe |
|-----------------|---------------|--------------|--------|---|---|------------------------|--------------------|-------------------|---------------------|---------------------|----------------|---|-----------------------------------|-------------------------|-----------------------|-----------------------------------|
| | | | | | consideration of \$79M | | | | | | | | | | | |
| Giralia / Atlas | Western Creek | WA | Mar-11 | Giralia had a suite of iron assets in the Pilbara and the Yilgarn region of western Australia. Principal pre-development assets were McPhee Creek 265 MT (Ind 65MT, Inf 194MT) at 56% Fe 0.12%P and Daltons Mt Webber 35MT (Ind 29MT, Inf 6MT) at 57.2%Fe and 0.06%P. Other assets were Yerecoin a magnetite resource in the Yilgarn. Western Creek Resource 52.4MT Inferred 56.9% 0.6%phos | Atlas acquired Giralia and all of the iron ore and other mineral assets for a total consideration of \$825M it was an all scrip deal Atlas shares which were trading at \$2.90 at the time of the acquisition. Ravensgate and PWC indicated a preferred value for McPhee creek at \$347.7M and \$45.4M for Western Creek. Daltons Mt Webber \$35.3M | Inferred | 55 | 56.9% | 32 | 169.36 | 1.03 | 45 | 46.76 | 1.48 | 0.30 | 0.45 |
| Giralia / Atlas | Mt Webber | WA | Mar-11 | | | Indicated | 35 | 57.2% | 20 | 169.36 | 1.03 | 35 | 36.36 | 1.82 | 0.30 | 0.55 |
| Giralia / Atlas | McPhee Creek, | WA | Mar-11 | | | Inferred and Indicated | 265 | 56.0% | 148 | 169.36 | 1.03 | 348 | 358.13 | 2.41 | 0.30 | 0.73 |

| Deal Name | Project | Jurisdiction | Date | Asset Details | Transaction Details | Resource Category | Resource Size (Mt) | Iron Grade (Fe %) | Contained Iron (Mt) | Spot Price (US\$/t) | FX Rate to USD | Transaction Price (Transaction Currency millions) | Transaction Price (US\$ millions) | Implied Value US\$/t Fe | Correction multiplier | Corrected Implied Value US\$/t Fe |
|-------------------|----------------------|--------------|--------|--|--|-------------------|--------------------|-------------------|---------------------|---------------------|----------------|---|-----------------------------------|-------------------------|-----------------------|-----------------------------------|
| Tal / E-Comm | Wonmunna | WA | Jan-10 | The Wonmunna project is located 70km north west of Newman in the Pilbara of WA. The project comprised 175sqkm. At the time of the transaction the project had defined Inferred Mineral resource of 78MT @56% Fe using a 50% Fe cut off additional exploration upside had been recognised for Fe. | In February 2011 Rico paid \$35.25M in cash and 35.5M Rico shares (valued at \$7.1M). For a 100% interest in the project. | Inferred | 78 | 56.0% | 44 | 125.91 | 0.90 | 42 | 38.12 | 0.87 | 0.41 | 0.36 |
| Polaris / Min Res | Yilgarn iron project | WA | Jan-10 | principal asset was the Yilgarn Iron Ore Project comprising about 1,000 km2 of tenements, and an Inferred Mineral Resource of 42.6Mt grading 58.6% Fe at the Carina, J4 and J5 deposits. At the Carina Extended prospect, rock chip sampling over a 700m strike length returned assays in the range 57.9% Fe to 61.6% Fe. Polaris had two other exploration assets which did not add significant value to the deal and had no resources defined. | Min Res acquired the assets of Polaris for an All scrip deal of 1 Min Res Share for every 10 Polaris share plus 10.1 cent cash for each Polaris share. Final bid price of the equivalent of 82.1c/share based on Min Res at \$7.20 per share. Based on this transaction, POL was valued at \$145M, or the equivalent of \$5.80/t Fe in Resources, however, given the large tenement holding, and prospects for the discovery of additional resources at Carina Extended, at least, this is | Inferred | 43 | 58.6% | 25 | 125.91 | 0.90 | 138 | 124.20 | 4.98 | 0.41 | 2.03 |

| Deal Name | Project | Jurisdiction | Date | Asset Details | Transaction Details | Resource Category | Resource Size (Mt) | Iron Grade (Fe %) | Contained Iron (Mt) | Spot Price (US\$/t) | FX Rate to USD | Transaction Price (Transaction Currency millions) | Transaction Price (US\$ millions) | Implied Value US\$/t Fe | Correction multiplier | Corrected Implied Value US\$/t Fe |
|-----------------|-------------------------------------|--------------|--------|--|--|-------------------|--------------------|-------------------|---------------------|---------------------|----------------|---|-----------------------------------|-------------------------|-----------------------|-----------------------------------|
| | | | | | likely to be a maximum value. Polaris had \$7 Million in cash at the time of the takeover | | | | | | | | | | | |
| Warrick / Atlas | Western Creek, Caramulla, Jimblebar | WA | Nov-09 | Warrick had very large tenement holding with 45.5 Mt of Inferred resource defined Western Creek, Jimblebar Caramulla ranging from 53%.9 -57.5% Fe. There was also 120-260Mt of exploration target in the surrounding tenure ranging 57-64% Fe. A total of 5000sqkm of Pilbara tenure was part of the deal. | Atlas acquired all of the mineral Assets of Warrick resources for one Atlas Share for every three Warrick Shares. At the time of the offer this equated to %c per Warrick share, based on Atlas at \$1.65. making an effective sale price of \$64M | Inferred | 46 | 55.0% | 25 | 99.26 | 0.97 | 64 | 62.08 | 2.48 | 0.52 | 1.28 |

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