RIO TINTO

27-06-2001

File: L209IH01

Attention: Principal Registrar

Dear Sir or Madam:

Statutory Report

## Annual and Final Report for EL 7201 "Gundy Springs" Northern Territory, Australia

Please find herewith the Annual and Final Report No. 24535 by Gerard Rheinberger and Tom Reddicliffe, titled as above. EL 7201 was conditionally surrendered and replaced with SEL 22767, hence Rio Tinto Exploration wishes that the contents of this report remain in closed file status until the surrender of SEL 22767.

A copy of the Report in Adobe Acrobat format is enclosed, along with the files in their native format (mainly Microsoft Word, Excel and MapInfo).

Expenditure statement is enclosed and reported in Appendix 5 of the report. The rehabilitation report is included in the report and repeated below.

## Rehabilitation

Environmental disturbance was minimised during the bulk sampling and drilling operations by strict adherence to the Ashton Mining field policy. The construction of new access tracks and drill pads was carried out the aid of a front-end loader. This assisted in minimising the environmental impact by ensuring that vegetation was cleared blade up to preserve grass, shrub, and topsoil cover and not create deep, permanent windrows. Detours were created to by pass extensive areas of dense vegetation cover and large individual tress. All debris heaps were also flattened and dispersed and it is anticipated that rapid revegetation will be assisted by wet season conditions.

Following the excavation of the bulk samples the over sized gravel was redistributed within each site in order to create a suitable trap for future sediment. The access cut that was made into the creek bank was also smoothed and refilled where possible, and any existing debris piles were dispersed. The progress of natural revegetation is expected to be rapid due to the high volume of water carried by the streams during the wet season.

The drilling programmes were completed without major environmental disturbance. At the completion of each hole a cement plug was inserted and back-filled in accordance with the Department of Mines and Energy protocol. Each hole was also clearly marked with a labelled steel peg. All unwanted drilling material and refuse was removed for proper disposal.

Yours truly,

Ian Hubbard

## For the period

## 26<sup>th</sup> February 1995 to 25<sup>th</sup> February 2001

Total:	\$ 1,040,575
Overheads	99,224
Sub-Total	992,241
Other	1,226
Laboratory	252,221
Drafting/Computing	3,417
Data Acquisition	711
Aerial Photography	2,950
Geochemistry	32,643
Drilling 57,904	
HMS Plant 3,299	
Freight/Storage	21,215
Fixed Wing Air Charter	748
Helicopter Charter	30,169
Equipment/Earthmoving Hire	92,076
Vehicle Costs 26,446	
Operating Costs	180
Field Supplies	9,955
Travel/Accommodation/Meals	70,137
Technical Consultants	14,648
Field Support/Office Staff	160,406
Geoscientist/Professional Staff	161,000