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<td>EL24304_2006_A_04_downholegeochem_XRF.txt</td>
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<td>EL24304_2006_A_05_downholegeochem_ICP.txt</td>
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<td>WAp46324.pdf</td>
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<tr>
<td>WAp46091</td>
<td>Tenement Location Plan</td>
<td>1:500 000</td>
</tr>
<tr>
<td>WAp46602</td>
<td>Location of Auger Drill Holes</td>
<td>1:80 000</td>
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1. **SUMMARY**

Exploration Licence (EL) 385 was applied for in 1972 by CRA Exploration Pty Limited (CRAE). Partial consent of the application area resulted in the granting of two separate licences (ELs 385 and 24304) in June 2004. The tenements are located approximately 180 km south-west of Nhulunbuy, and 80 km north of Numbulwar in south east Arnhem Land and consequently are processed under the Aboriginal Land Rights Act 1975 (ALRA).

The tenement was considered prospective for base metal mineralisation, similar to that at McArthur River (HYC) in the McArthur Basin. Subsidiary targets are diamonds and bauxite. The tenements contain McArthur Group equivalent sediments adjacent to the eastern margin of the Walker Trough. McArthur Group sediments are host to the McArthur River (HYC) lead-zinc deposit located approximately 300 km to the south.

Exploration completed during the current reporting period was directed at locating a bauxite deposit and has comprised:

- Auger Drilling (4 holes)

Results did not identify any anomalous metal levels or bauxite in any of the samples.

2. **CONCLUSIONS AND RECOMMENDATIONS**

No anomalous metal levels or bauxite were returned in any of the auger sampling.

EL24304 has been relinquished in full due to a lack of significant results from the auger sampling.

3. **INTRODUCTION**

EL 385 was applied for in 1972 by CRAE. The tenement area is located approximately 180 km south-west of Nhulunbuy, and 80 km north of Numbulwar in south east Arnhem Land and consequently the applications are processed in accordance with the Aboriginal Land Rights Act 1975 (ALRA).

Partial consent of the initial application area was obtained in 2003. The consented land covered two separate areas of land and consequently two exploration licences (EL 385 and EL 24304) were granted to Rio Tinto Exploration (RTE) on 9 June 2004. The tenements were granted on a
non-graticule basis. Tenement details are included in Table 1 below. The tenement is located on Plan WAp46091.

All exploration was completed in accordance with a Department of Primary Industry Fisheries & Mines (DPIFM) lodged and approved Mine Management Plan (Dwyer 2004, RTE Report 26851), and is subject to authorisation number 0230-01 issued under S41 of the Mining Management Act 2001 (NT).

Table 1: Tenement Details

<table>
<thead>
<tr>
<th>Tenement No.</th>
<th>Tenement Name</th>
<th>Ownership</th>
<th>Application Date</th>
<th>Grant Date</th>
<th>Area Granted Blocks</th>
<th>Area Surrendered Blocks</th>
</tr>
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<tbody>
<tr>
<td>EL24304</td>
<td>Walker River 2</td>
<td>Rio Tinto Exploration Pty Limited</td>
<td>19/01/1972</td>
<td>09/06/2004</td>
<td>3</td>
<td>3</td>
</tr>
</tbody>
</table>

4. **GEOMORPHOLOGY**

The tenement area comprises one major physiographic subdivision, the Coastal Plain. The Coastal Plain comprises low relief areas adjacent to the coast (after Haines et al 1999).

The Marura River forms a major perennial water course within the general vicinity of the tenement.

5. **GEOLOGY**

The tenement area covers a small part of the Paleo – Mesoproterozoic McArthur Basin, one of the principal tectonostratigraphic components of the Northern Australian Craton.

Thin Cenozoic units cover all of EL 24304. These units consist of pisolitic and massive ferricrete and laterite. Quaternary deposits of alluvial gravel, sand, silt and clay are found in active channels and active deposits are forming on intertidal and supratidal flats. Active and recently active cheniers and sandy beach ridges are comprised of shellie sand and are present along much of the coastline.

6. **GEOPHYSICS**

The project area is covered by regional gravity and by airborne magnetic and radiometric data. The aeromagnetic data are from the Mitchell Ranges 1990 and Marumba 1988 Surveys. These
surveys had east west oriented flight lines with a line spacing of 500 metres and a mean survey elevation of 100 metres.

Data has been acquired and reviewed. No features of interest are recognised within the tenement area.

7. PREVIOUS EXPLORATION

Two exploration licences have been held over the tenement area. Both of these existed prior to the grant of the ALRA in 1975. Authority to Prospect (AP) 1138 was granted to BHP Minerals in 1964 and was relinquished in 1972, however it only covered the tenement area between 1964 and 1967. No exploration from the tenement area was reported by BHP.

AP 1967 was held over the tenement area between 1969 and 1970 by Noranda Australia. Again no exploration was reported. Limited exploration comprised an airborne spectrometer survey and ground follow up of 5 anomalies. No economic uranium mineralisation was intersected. Anomalous radioactivity is due to thorium concentrations with minor associated uranium.

8. EXPLORATION COMPLETED DURING REPORTING PERIOD

Exploration completed during the reporting year included:

- Camp and access track construction.
- Auger drilling (4 holes for 29 metres) samples.
- Assaying of bottom of hole samples for base metals (4 samples)
- Assaying of selected holes for bauxite mineralisation

The work programme was subject to a comprehensive work programme clearance facilitated by the Northern Land Council. The auger sampling required a low impact access route to be made through the open forest of the coastal plain.

8.1 Auger Sampling for Base Metal

A total of 4 samples were collected from variable depths depending on how far the auger could penetrate and the interpretation of weathered in situ bedrock. The samples were collected from
the base of the auger hole. Analysis was undertaken at Amdel Laboratories in Adelaide using the protocols in Table 2.

The results of the auger sampling did not show any significant anomalism in metals associated with lead zinc mineralisation. The auger drilling stopped in weathered material in all holes however this was interpreted to be mostly insitu and not a younger cover. The work was therefore considered effective in testing for bedrock geochemical anomalism.

Table 2: Auger Samples for Base Metals Analysis Protocols

<table>
<thead>
<tr>
<th>Preparation</th>
<th>Digest</th>
<th>Method</th>
<th>Elements (lower detection limit)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Dry, crush and pulverise entire sample to nominal p97 95um.</td>
<td>Lead fusion fire assay (50 g charge) Aqua regia digest</td>
<td>ICPOES</td>
<td>Au (1 ppb), Pt (5 ppb), Pd (1 ppb).</td>
</tr>
<tr>
<td>Dry, rush and Pulverise entire sample to nominal p97 95um.</td>
<td>HF/multi acid (0.5 g aliquot)</td>
<td>ICPMS /ICPOES</td>
<td>Ag (1 ppm), Al (10 ppm), As (3 ppm), Ba (10 ppm), Bi (5 ppm), Ca (10 ppm), Cd (5 ppm), Co (2 ppm), Cr (2 ppm), Cu (2 ppm), Fe (100 ppm), K (10 ppm), Mg (10 ppm), Mn (5 ppm), Mo (3 ppm), Na (10 ppm), Nb (5 ppm), Ni (2 ppm), P (5 ppm), Pb (5 ppm), S (50 ppm), Sb (5 ppm), Sr (2 ppm), Th (5 ppm), Ti (10 ppm), U (5 ppm), V (2 ppm), W (10 ppm), Zn (2 ppm), Zr (10 ppm).</td>
</tr>
</tbody>
</table>

*ICPMS

Figure 1: Auger Drill
8.2 Auger Sampling for Bauxite

Drill holes that had lateritic material that was possibly bauxitic were sampled and analysed by XRF. Drill hole AG05WR51 had weakly elevated alumina (4m @ 23.6% Al₂O₃) from 2 metres with high silica (ave. 42% SiO₂). This material is indicative of lateritic weathered sandstone and is not considered significant for bauxite.

Table 3: Summary of Sample Assayed for Bauxite

<table>
<thead>
<tr>
<th>Hole number</th>
<th>Sample numbers</th>
<th>Depth</th>
</tr>
</thead>
<tbody>
<tr>
<td>AG05WR48</td>
<td>6072624</td>
<td>0 - 1</td>
</tr>
<tr>
<td>AG05WR49</td>
<td>6072625</td>
<td>0 - 1</td>
</tr>
<tr>
<td>AG05WR51</td>
<td>6072617 - 623</td>
<td>0 - 7</td>
</tr>
</tbody>
</table>

Table 4: Auger Samples for Bauxite Analysis Protocols

<table>
<thead>
<tr>
<th>Preparation</th>
<th>Digest</th>
<th>Method</th>
<th>Elements (lower detection limit)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Dry, Crush and Pulverise entire sample to nominal p97 95um.</td>
<td>Fused bead</td>
<td>XRF-fused bead</td>
<td>Al₂O₃, CaO, Fe₂O₃, K₂O, MgO, MnO, Na₂O, P₂O₅, SiO₂, SO₃, TiO₂, ZrO₂, V₂O₅ (0.001)</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Thermo-</td>
<td>LOI (detection limit is 0.01% unless otherwise stated)</td>
</tr>
<tr>
<td></td>
<td></td>
<td>gravimetric</td>
<td></td>
</tr>
</tbody>
</table>

9. **ENVIRONMENT**

All exploration was completed in accordance with a DPIFM lodged and approved Mine Management Plan (Dwyer 2004). This report is included in Appendix 2.

All exploration activities were completed in accordance with the approved plan and no additional rehabilitation is required.
REFERENCES


LOCALITY

Blue Mud Bay SD 5307 1:250 000

DESCRIPTOR

Final Report for EL24304 Walker River 2, Northern Territory; located within the Arnhem Land Aboriginal Land Trust, Northern Territory, Australia. Base metal and bauxite exploration consisted of drilling 4 auger holes and selected assaying.

KEYWORDS

Walker River 2, Blue Mud Bay, base metals, bauxite, auger drilling, XRF analysis, ICP analysis.
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Auger Samples Ledger and Results
EL24304_2006_A_02_drillcollars.txt
EL24304_2006_A_03_lithology.txt
EL24304_2006_A_04_downholegeochem-XRF.txt
EL24304_2006_A_05_downholegeochem-ICP.txt
APPENDIX 2
Walker River Mine Management Plan 2005
27359 Walker River MMP.pdf
WAp46324.pdf