

RIO TINTO

17 October 2006

The Director General
Northern Territory Department of Primary Industry, Fisheries and Mines
GPO Box 3000
Darwin NT 0801

Dear Sir,

Annual Report for Mining Lease 47- 49, 67- 77 (NT)

I refer to the Mining Lease 47, 48, 49, 67, 68, 69, 70, 71, 72, 73, 74, 75, 76 and 77 held by Peko Exploration Pty Limited ("Peko") located in Kakadu (NT).

There were no activities carried out on the Mining Leases for the last reporting period by Peko due to restricted land access.

Accordingly, there are no technical, environmental or expenditure matters to report. In view of this, permission is sought to accept this letter in lieu of an Annual Report for the 2005 - 2006 reporting period.

Yours sincerely,



David Palmer
Business Development Manager

Upon receipt, please indicate by signing below and faxing this letter back to Rio Tinto Exploration Pty Limited (08) 9270 9223.

Signature

Date: / /

Signed on behalf of the Department of Primary Industry, Fisheries and Mines as receipt of the (1) report listed above.