



Rio Tinto Exploration Pty. Limited

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A member of the Rio Tinto Group

Fourth Annual Report
for the Period Ending 21st July 2006
EL10316 Reward, Batten Programme
Bauhinia Downs SE53-03
Northern Territory

Exploration Report No. 27856

Tenement Holder:	Rio Tinto Exploration Pty Limited
Date:	August 2006
Author:	P J Walker
Submitted:	M Hartley
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SUMMARY OF ACTIVITIES

Exploration Lease 10316 "Reward" covers an area of 752.46 km² and is located within the McArthur Basin, approximately 50 km southwest of Borroloola, on the Bauhinia Downs 1:250,000 map sheet. The lease was acquired as a result of a takeover of North Mining Ltd Rio by Tinto Exploration Pty Ltd (RTE) during 2000. It was granted on 22nd July 2002 for a period of six years.

During the second year of tenure, the Batten Trough Farm In and Joint Venture Agreement was entered into between RTE (North Mining Limited and other Rio Tinto companies) and Anglo American Exploration (Australia) Pty Ltd. This Agreement was signed on 29th September 2003 and was lodged with the Department for registration. Under this Agreement, Anglo American Exploration (Australia) Pty Ltd carried out work on the licenses covered by the agreement.

During 2004 and 2005, Anglo American Exploration (Australia) conducted regional and prospect scale reconnaissance mapping, soil and rock sampling, a 3,995m TEM line and ten RC and diamond drill holes, totalling 3,031.6m in the Myrtle sub-basin.

Three lenses of disseminated low-Fe sphalerite and galena were intersected in the Myrtle drill holes with best results of:

- 21.0m at 5.2% Zn and 1.4% Pb from 216.0m (MY10, true thickness ~3m)
- 6.7m at 5.7% Zn and 1.8% Pb from 473.5m (MY6)
- 21.3m at 2.1% Zn and 0.3% Pb from 240.6m (MY8)

On 23rd March 2006 Anglo American Exploration (Australia) Pty Ltd withdrew from the Batten Trough Joint Venture.

A waiver of reduction in area of EL 10316 was granted to RTE until 21st July 2007.

RTE is currently attempting to secure a joint venture partner to continue McArthur River style Pb-Zn mineralisation on EL 10316.

VERIFICATION LISTING

Exploration Work Type	File Name	Format
Office Studies		
Literature search		
Database compilation		
Computer modelling		
Reprocessing of data		
General research		
Report preparation	27856 Reward Myrtle Sub-basin Final Report	pdf pdf
Other (specify)	Expenditure Statement	.pdf
Airborne Exploration Surveys		
Aeromagnetics		
Radiometrics		
Electromagnetics		
Gravity		
Digital terrain modelling		
Other (specify)		
Remote Sensing		
Aerial photography		
LANDSAT		
SPOT		
MSS		
Radar		
Other (specify)		
Ground Exploration Surveys		
Geological Mapping		
Regional		
Reconnaissance		
Prospect	Aus_NT_BAT_GE_12658 Aus_NT_BAT_GE_12659 Myrtle_ENE_Section Myrtle_ESE_Section	pdf Pdf pdf pdf
Underground		
Costean		
Ground Geophysics		
Radiometrics		
Magnetics		
Gravity		
Digital terrain modelling		
Electromagnetics		
SP/AP/EP		
IP		
AMT		
Resistivity		
Complex resistivity		
Seismic reflection		
Seismic refraction		
Well logging		
Geophysical interpretation		
Other (specify)		
Geochemical Surveying		
Drill sample		
Stream sediment		
Soil		
Rock chip		
Regolith		
Water		
Biogeochemistry		
Isotope		
Whole rock		
Mineral analysis		
Other (specify)		
Drilling		
Aircore		
Auger		
Diamond	Myrtle-6_port Myrtle-7_port Myrtle-8_port Myrtle-10_port Myrtle-12_port	pdf pdf pdf pdf pdf
Reverse circulation		
Rotary air blast		
Rotary percussion		
Tungsten carbide bit (coring)		

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Groundwater drilling		
All drilling		
File Verification Listing (this table)	27856 Reward V	.pdf

