



Rio Tinto Exploration Pty. Limited

ABN 76 000 057 125 / ACN 000 057 125

A member of the Rio Tinto Group

**Combined Annual Report (Cato Project)
For the Period 14 October 2007 to 13 October 2008
EL 4170 Cato Plateau & EL4171 Cato River
Gove Special SD 5304
Northern Territory**

Exploration Report No. 28396

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SUMMARY OF ACTIVITES

Exploration Licence (EL) 4170 Cato Plateau and EL4171 Cato River were applied for by BHP Minerals Pty Ltd (BHP) on 3 October 1982. EL4170 was granted on 14 October 2004, EL4171 was granted on 12 September 2005. Rio Tinto Exploration Pty Limited (RTX) signed an agreement with BHP on 27 March 2000 whereby RTX took over management and ownership of the tenements. The original EL4170 tenement application covered an area of 593.5km² of which only 57.0km² was granted. The original EL4171 tenement application covered an area of 846.0km² of which 598.2km² was granted. The remainder of the area was split off into a new application, EL24389 and put into moratorium. The tenements are located 30km west of Nhulunbuy, east Arnhem Land and consequently are processed under the Aboriginal Land Rights Act 1975 (ALRA). Combined reporting of EL4171 and EL4170 was granted on 3 August 2007, and called the 'Cato Project'. The Cato Project forms part of the larger contiguous tenement package in east Arnhem Land, which is considered prospective for bauxite.

This combined annual report describes the exploration completed during the fourth tenure year of EL4170 and the third tenure year of EL4171.

The Cato Project covers a spur of the Cato Plateau, which is a known area of bauxite of similar style to the nearby world class Gove deposit. It also covers extensions of subtle, coastal plateaus and a small isolated plateau.

Exploration is focused on testing the area for bauxite. Work completed during the period included assaying of the grab samples from 2007 work programme and track preparations for the 2008 filed season drilling. Negotiations with BHPB to modify the joint venture arrangements were completed. The key outcome of the new agreement is that Rio Tinto has the full bauxite rights and BHPB has the full manganese rights over this project. Their rights will allow for simultaneous exploration activities for manganese within EL 4170 and EL 4171. The manganese exploration will form a large part of the next field seasons expenditure. BHPB will be required to submit an annual report on activities which will be incorporated into the statutory report.

VERIFICATION LISTING

Exploration Work Type	File Name	Format
Office Studies		
Literature search		
Database compilation		
Computer modelling		
Reprocessing of data		
General research		
Report preparation	EL4170_EL4171_Cato Project_Annual pAI07_011 (Location plan) pAI07_010 (Location plan of 2008 planned drilling) WAp46452 (location of plateau)	.pdf .pdf .pdf .pdf
Other (specify)		
Airborne Exploration Surveys		
Aeromagnetics		
Radiometrics		
Electromagnetics		
Digital terrain modelling		
Other (specify)		
Remote Sensing		
Aerial photography		
LANDSAT		
SPOT		
MSS		
Radar		
Other (specify)		
Ground Exploration Surveys		
Geological Mapping		
Regional		
Reconnaissance		
Prospect		
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	pAI07_025 (Rock location plan) CatoProject_2008_A_02_rockgeochem	.pdf .txt
Regolith		
Water		
Biogeochemistry		
Isotope		
Whole rock		
Mineral analysis		
Other (specify)		
Drilling		
Aircore	pAI07_023.pdf (drill hole location plan)	pdf
Auger		
Diamond		
Reverse circulation		
Rotary air blast		
Rotary percussion		
Tungsten carbide bit (coring)		
Groundwater drilling		
All drilling		
File Verification Listing (this table)	28396 Cato V	.pdf

