



## **Rio Tinto Exploration Pty. Limited**

ABN 76 000 057 125 / ACN 000 057 125

A member of the Rio Tinto Group

Annual Report  
For the Period 22 April 2010 to 21 April 2011  
EL 23565 Zamia Creek,  
SD5307 Blue Mud Bay  
Northern Territory

### **Exploration Report No. 28964**

Tenement Holder: Rio Tinto Exploration Pty Limited

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**LIST OF PLANS**

<b>Plan No.</b>	<b>Title</b>	<b>Scale</b>
911392061	Tenement Location Plan	1:200 000

## **1. SUMMARY**

This report documents work undertaken by RTX on Exploration Licence 23565 during the first year of tenure to 21 April 2011.

RTX's activities during the tenure period were limited to farm-out negotiations and engagement with traditional owner representative body the NLC.

No field activities were completed on EL 23565.

Negotiations are currently at an advanced stage with the bona fide third party and farm-out is expected to be concluded by mid 2011.

## **2. CONCLUSIONS AND RECOMMENDATIONS**

No technical progress was made on this licence during the annual reporting period.

It is anticipated the introduction of an experienced zinc-focussed third party explorer to EL 23565 will expedite exploration on the tenement and adjoining EL applications in the Walker Trough held by RTX and its affiliate companies.

## **3. INTRODUCTION**

Exploration Licence 23565 was applied for on 27 March 2002. Partial consent of the application area resulted in the granting of exploration licence 23565 to Rio Tinto Exploration Pty Limited (RTX) on 9 June 2004. The areas of non-consent were assigned as ELA 27919 and ELA 27920 are in moratorium.

The tenement area is located approximately 80km north-west of Numbulwar in south east Arnhem Land (Plan pZn11\_001) and activities conducted on the tenement is in accordance with the provisions of the Aboriginal Land Rights Act 1975 (ALRA) under an Exploration Agreement with the NLC dated 31 August 2009.

The tenement contains McArthur Group equivalent sediments adjacent to the eastern margin of the Walker Trough. The tenement is considered prospective for sedex-style base metal mineralisation, similar to that at McArthur River (HYC) lead-zinc deposit located approximately 300 km to the south.

Tenement details are included in Table 1.

**Table 1: Tenement Details**

Tenement No.	Tenement Name	Ownership	Application Date	Grant Date	Blocks Applied	Blocks Granted
EL23565	Zamia Creek	Rio Tinto Exploration Pty Limited	27/3/2002	22/4/2010	62	38

**4. GEOLOGY**

The tenement area covers ground surrounding the Parsons Range Fault. Dominant geological units in the area are Mesoproterozoic McArthur Group siltstones, sandstones and dolomites and Neoproterozoic Roper Group sandstones and conglomerates (Haines et al, 1999). The tenement is considered prospective for sedex-style base metal mineralisation, similar to that at McArthur River (HYC) lead-zinc deposit located approximately 300 km to the south.

**5. EXPLORATION COMPLETED DURING REPORTING PERIOD**

Exploration completed during the reporting year was office-based and included:

- Commercial negotiations with third parties to farm-in to the tenement and adjoining EL applications held by RTX;
- Data and divestment package compilation; and
- Engagement with the NLC regarding ongoing RTX activities.

**6. ENVIRONMENT**

No ground disturbing work conducted during the period.

**7. EXPLORATION EXPENDITURE**

Expenditure incurred by RTX for the twelve months ending 21 April 2011 was \$0 and as a consequence the expenditure covenant was not met. Pre-grant expenditure amounted to \$34,000. A full breakdown of expenditure for the reporting period is attached on the prescribed form.

**8. PROPOSED EXPLORATION**

It is anticipated the introduction of an experienced zinc-focussed third party explorer to EL 23565 will expedite exploration on the tenement and adjoining EL applications held by RTX. Stakeholder engagement will be an important early component of any work programmes conducted by the incoming third party.

### **REFERENCES**

Haines, P W et al., (1999) 1:250 000 Geological Map Series Explanatory Notes. Blue Mud Bay SD53-7 Northern Territory Geological Survey.

### **LOCALITY**

Blue Mud Bay

SD 5307

1:250 000

### **DESCRIPTOR**

Annual Report for the Period from 22 April 2010 to 21 April 2011, EL 23565 Zamia Creek Northern Territory located within the Arnhem Land Aboriginal Land Trust, Northern Territory, Australia.

### **KEYWORDS**

EL 23565, Zamia Creek, Blue Mud Bay, base metals, divestment

