

TER. 98-4129

242001

Rio Tinto Exploration Pty. Limited

A.C.N. 000 057 125

A member of the Rio Tinto Group

EL 29/96

MICROFILMED
FICHE No. 014585-

For covering
letter see EL 29/96
folio 25

**EL 29/96 Cape Sorrell No. 1
First Annual and Final Report
for Period from 18 January 1997
to 11 November 1997
Queenstown SK55-05
1:250,000
Tasmania, Australia**

OPEN FILE

Author: SAJ Russell
Date: March 1998
Submitted to: Chief Consulting Geologist - Australia Region
Copies to: Rio Tinto Exploration, GER - Bundoora
Rio Tinto Exploration, Eastern Region - Bundoora
Rio Tinto Exploration - Australia Region - Perth
Mineral Resources Tasmania

Submitted by: Sarah Russell
Accepted by: [Signature]

This report and its contents are confidential. All rights to the report and its contents (including, without limitation, rights to confidential information and copyright in all works (including photographs, diagrams, charts, maps and graphs) comprised in the report) remain the property of Rio Tinto Exploration Pty. Limited. No part of this report nor of the information contained in it may be disclosed to any person without the consent of Rio Tinto Exploration Pty. Limited. No part of this report nor of the information contained in it may be reproduced (including by being stored in any form), transmitted, published or used for any purpose other than that for which it was prepared by Rio Tinto Exploration Pty. Limited.

98-4129

Rio Tinto Report No. 23734

Abstract

EL 29/96 Cape Sorrell No 1 was granted to Rio Tinto Exploration Pty. Limited on 18 January 1997. The licence covers 26 sq.km (Plan Tv 1085) and lies approximately 7 km SW of Queenstown.

The licence was acquired to explore for fine grained, low sulphide, sediment-hosted gold deposits within the Ordovician carbonates and clastic sediments of the EL.

During recent project rationalisation and prioritisation, Rio Tinto Exploration Pty. Limited concluded that the Ordovician carbonates of western Tasmania are not a priority target for gold.

Recommendation for relinquishment was made to Mineral Resources Tasmania in August 1997, and surrender in full was granted on 11 November 1997. This report constitutes the first annual and final report for EL 29/96, Cape Sorrell No 1.

No field work was undertaken, hence no rehabilitation is necessary.

Table of Contents

	Page No.
Abstract	
List of Plans	
List of Tables	
1. Conclusions and Recommendations	1
2. Introduction	1
3. Review of Previous Work	1
4. Exploration Completed - 18/1/1997 to 11/11/1997	2
5. Rehabilitation	2
6. Expenditure	2
7. Location	2
8. Keywords	2
9. DPO Register	2

List of Plans

Plan No.	Title	Scale
Tv1085	EL 29/96 Cape Sorrell No 1 Location Plan	1:100,000

List of Tables

Table 1	Expenditure Statement for EL 29/96 Cape Sorrell No 1
---------	--

1. Conclusions and Recommendations

ELs 29/96 - Cape Sorrell No. 1, 28/96 - Forth No. 2 and 30/96 Mersey No. 1 were acquired by Rio Tinto to explore the Ordovician carbonates of Western Tasmania for fine grained, low sulphide, sediment-hosted gold.

A review of work conducted on these licences and a programme of stream sediment sampling conducted on the other licences indicated a low potential for this style of mineralisation. Due to project prioritisation and rationalisation, Rio Tinto decided to relinquish these tenements.

EL 29/96, Cape Sorrell No 1 was recommended for relinquishment in August 1997, and surrender in full was granted by Mineral Resources Tasmania on 11 November 1997.

No field work was conducted, therefore no rehabilitation was necessary.

2. Introduction

EL 29/96 Cape Sorrell No 1 was granted to Rio Tinto Exploration Pty. Limited on 18 January 1997. The licence covers 26 sq.km (Plan Tv 1085) and lies approximately 7 km SW of Queenstown.

Rio Tinto acquired the licence area to explore for sediment-hosted, fine grained, sulphide poor gold mineralisation, similar to that at Carlin and Sepon.

The licence contains a sliver of Ordovician carbonates along the faulted limb of an anticline. The fault (Harvey's Creek Fault) is a major structure in the area, probably active since the Cambrian. Several gold occurrences, some known since the late 1800's occur along the structure. Previous explorers identified a 4km long Au-As soil anomaly within the carbonates. Drilling at the Coupon prospect returned best results in CRC3 of 12m @ 1.7 ppm Au, 0.38% As from 26m. Rockchip sampling returned values up to 25m @ 2.0 ppm Au and 5m @ 5.8 ppm Au. Stream sediment tungsten anomalies in the area remain unexplained. The area became vacant after being held continuously since 1981.

The rationale for exploration was that significant mineralisation may be developed stratabound within the carbonate adjacent to this fault, particularly where the carbonates are capped by impervious shales.

A review of previous exploration revealed that detailed work by Pickands Mather and Cyprus had recognised a number of prospects. The best of these prospects was tightly drilled with no room for a large gold resource.

During recent project prioritisation and rationalisation, Rio Tinto decided to relinquish EL 29/96, Cape Sorrell No.1. Surrender of the licence in full was granted by Mineral Resources Tasmania on 11 November 1997.

3. Review of Previous Work

A preliminary literature review and overview of geology was undertaken, which highlighted the points outlined in Section 2.

4. Exploration Completed - 18/1/1997 to 11/11/1997

A preliminary literature review was undertaken which downgraded the potential of EL 29/96 to host a large gold resource.

No field work was conducted, and the licence was recommended for relinquishment in August 1997. Surrender of the licence in full was granted by Mineral Resources Tasmania on 11 November 1997.

5. Rehabilitation

No field work was undertaken within EL 29/96, therefore no rehabilitation was necessary.

6. Expenditure

Total expenditure for EL 29/96, Cape Sorell No 1 for the period from 18 January 1997 to 11 November 1997 is \$19,574.

7. Location

Queenstown	SK55-05	1:250,000
Cape Sorell	7913	1:100,000
Franklin	8013	1:100,000

8. Keywords

Gold * Carlin * Sepon * Gordon Limestone *

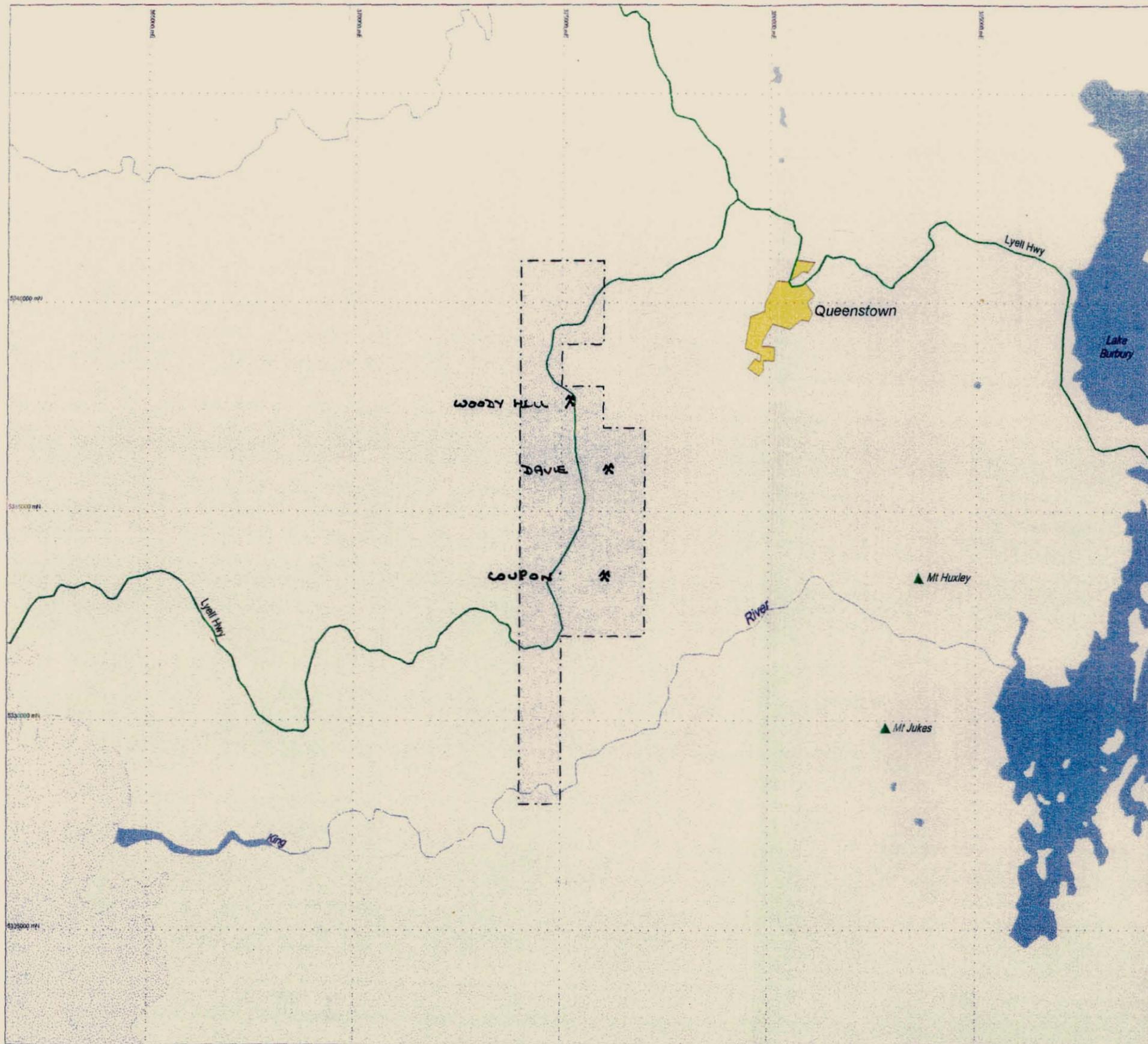
9. DPO Register

No samples were taken during the reporting period.

Table 1

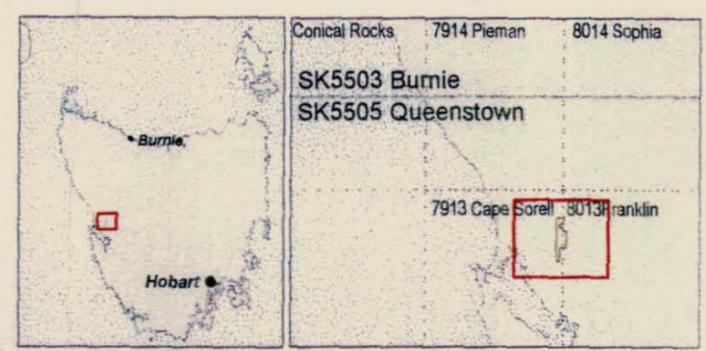
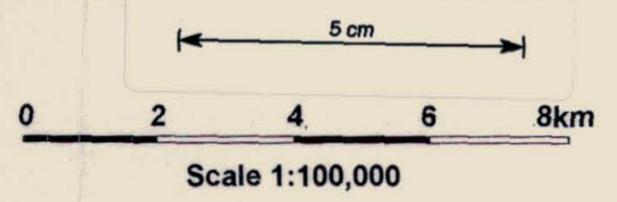
**EL 29/96 Cape Sorrell No 1
Expenditure Table**

	18/01/97 to 11/11/97
Drilling	0
Contractors	0
Laboratory	0
Rent & Property	5
Payroll & Benefits	6,169
Field & Transport	1,331
Travel & Accommodation	4,157
Computer Services	381
Professional	1,539
Office & Miscellaneous	1,810
District Administration	1,954
Regional Costs	2,178
Tenements	50
TOTAL	19,574



Key

- ▲ mountain
- main/secondary road
- highway
- railway
- river (perennial)
- lake
- urban area
- EL application



Location Diagram Map Sheet Reference

CRA EXPLORATION PTY. LIMITED

Cape Sorell 1
Location Plan

Author: Rob Parkinson	Reference: SK55-05 Queenstown
Drawn: Tony Sargeant	File Name: Tv1085.wor
Date: June 1996	Report No:
Scale: 1:100,000	Plan No: Tv1085