RIO TINTO

Pimentón

A new Cu-Au porphyry deposit in Farellones

This report by Rio Tinto dated June 6, 2006 was prepared as an Executive Summary and is not compliant with National Instrument 43-101

Summary

- Exploration was carried out under an LOU between SAGC and Rio Tinto, signed in March 2005
- 8 holes were drilled totalling 3891m of diamond drilling
- A very well mineralised copper-gold porphyry system was discovered
- Best results include 279m 0.4% Cu - 0.43g/T Au and 70m 0.46% Cu - 0.49g/T Au
- Results of exploration programme conducted by Rio Tinto have added a significant value to the Pimentón project

RIO TINTO

Pimentón

Legend

Lithology

- Diorite porphyry
- Volcaniclastics
- Tuffs
- Tourmaline breccia

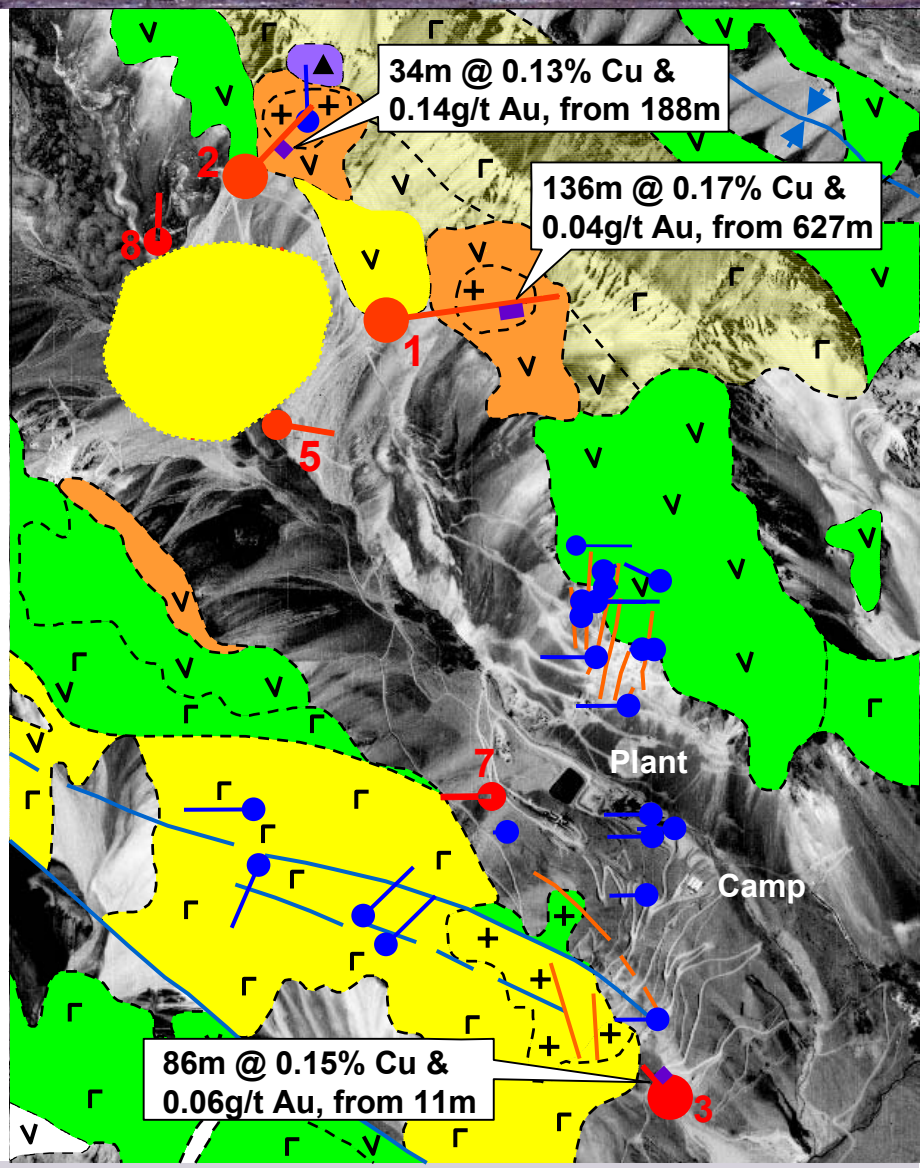
Alteration

- Potassic
- Phyllic
- Propylitic

- Auriferous quartz veins
- RT diamond drill holes
- Other diamond drill holes
- Proposed drill holes

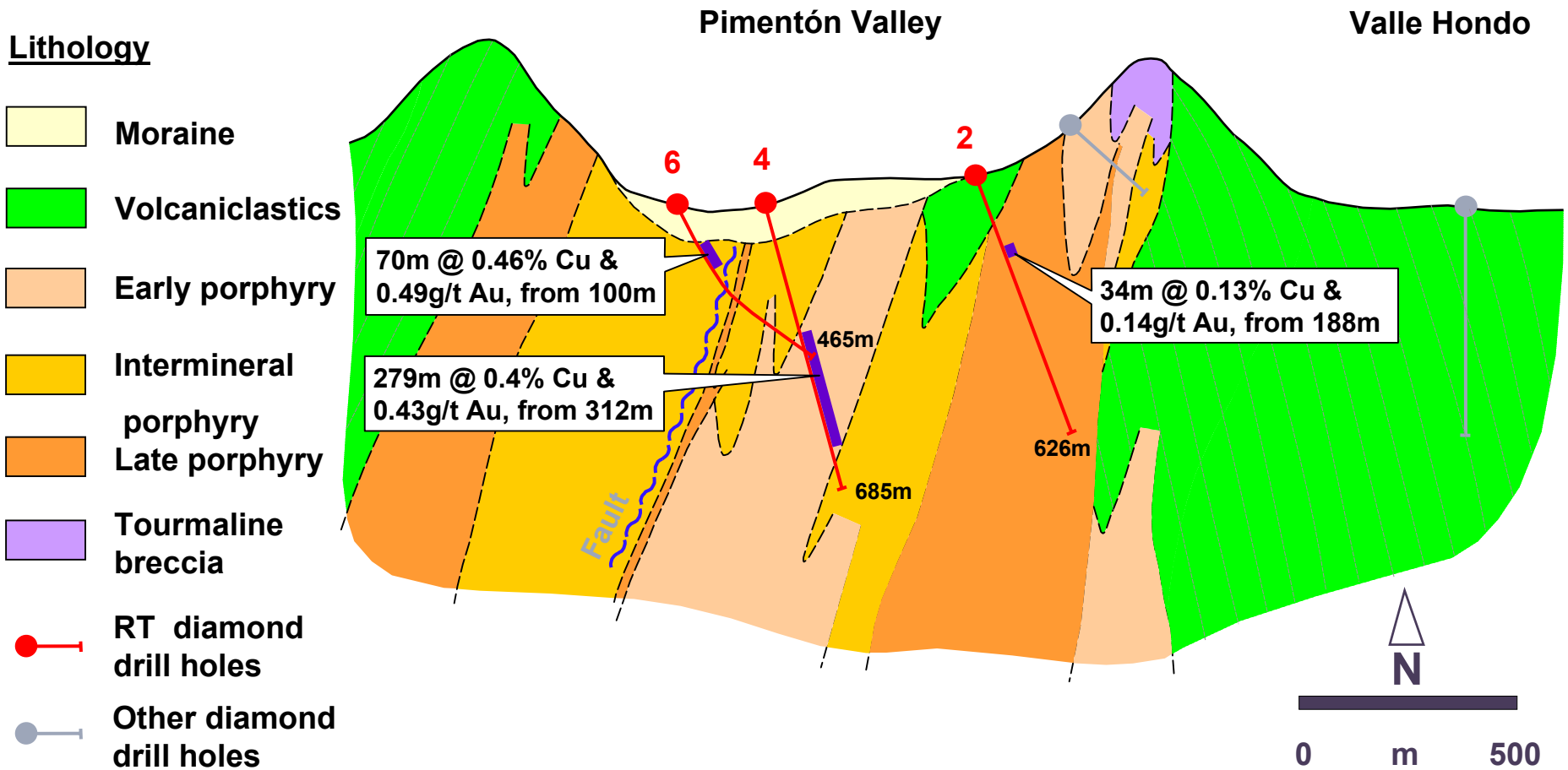
N

0 m 500

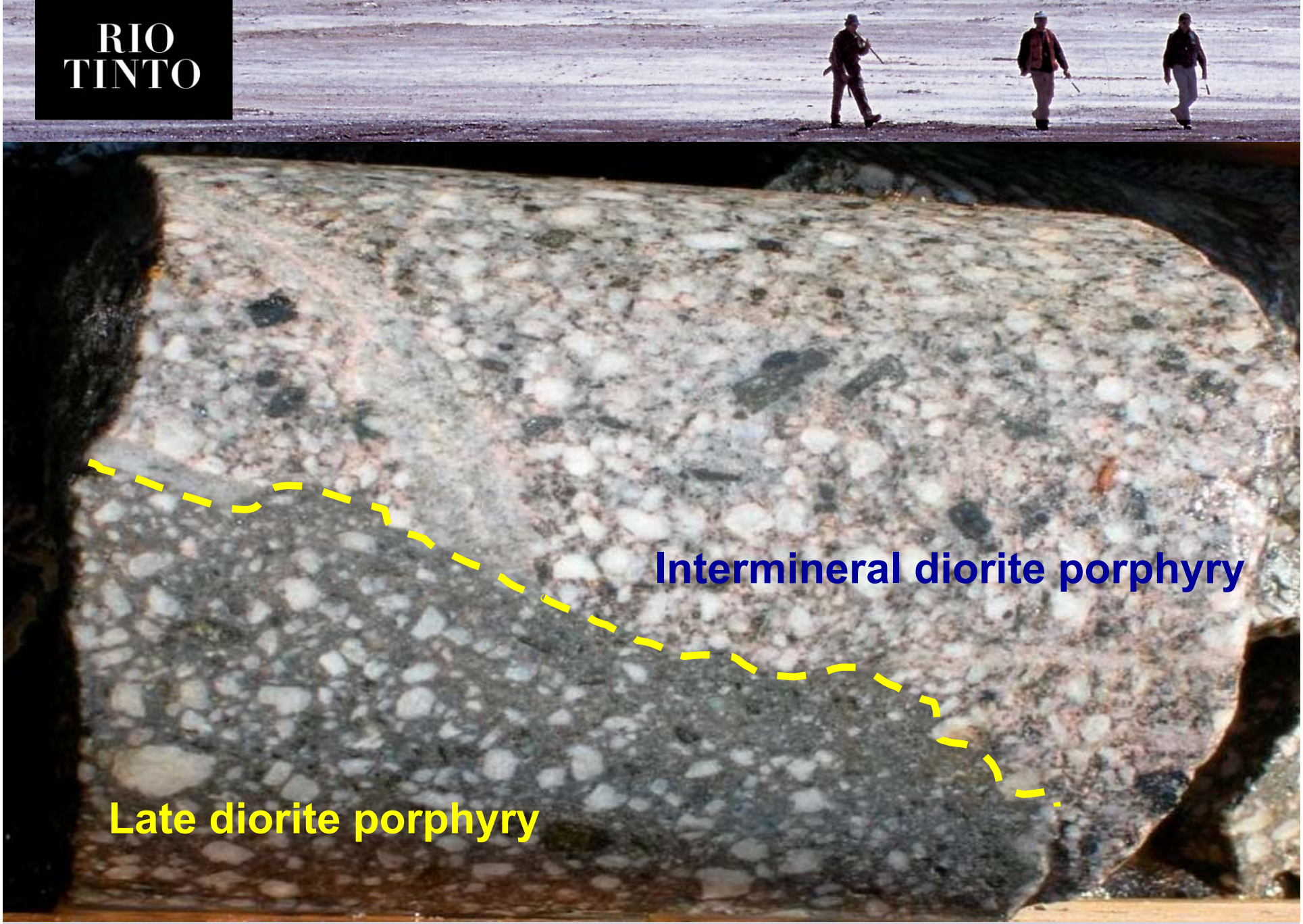


RIO TINTO

Pimentón
Schematic Cross Section

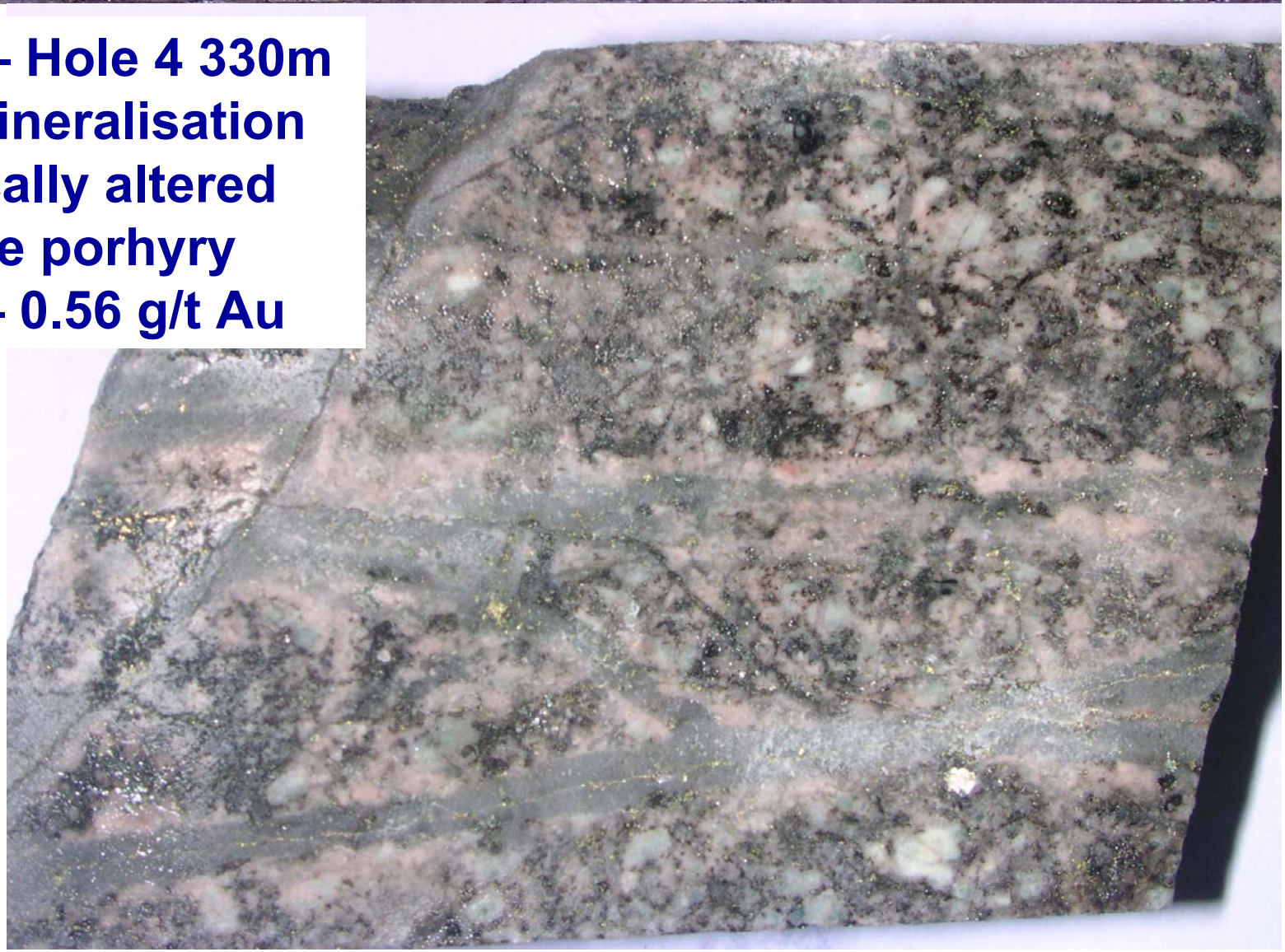


RIO TINTO



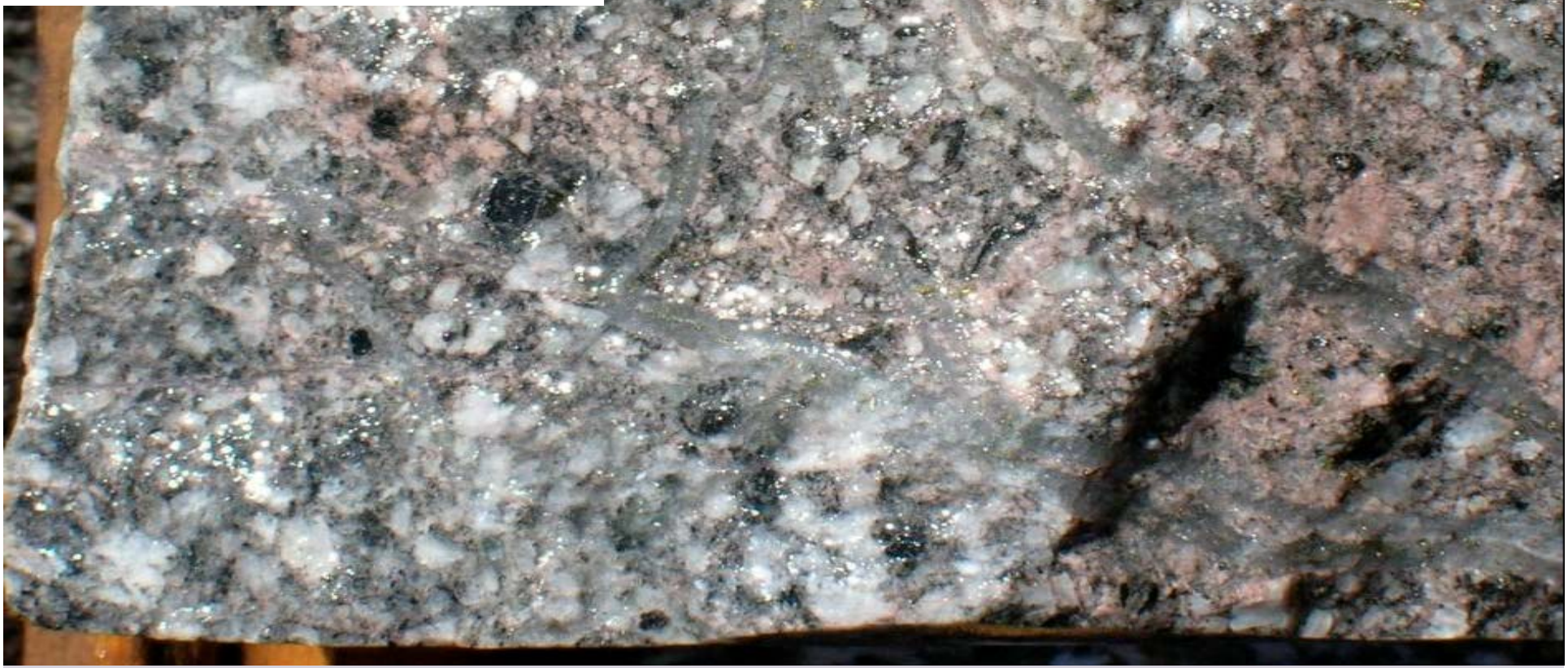
RIO TINTO

Pimentón – Hole 4 330m Cu & Au mineralisation in potassically altered early diorite porhyry 0.53% Cu – 0.56 g/t Au

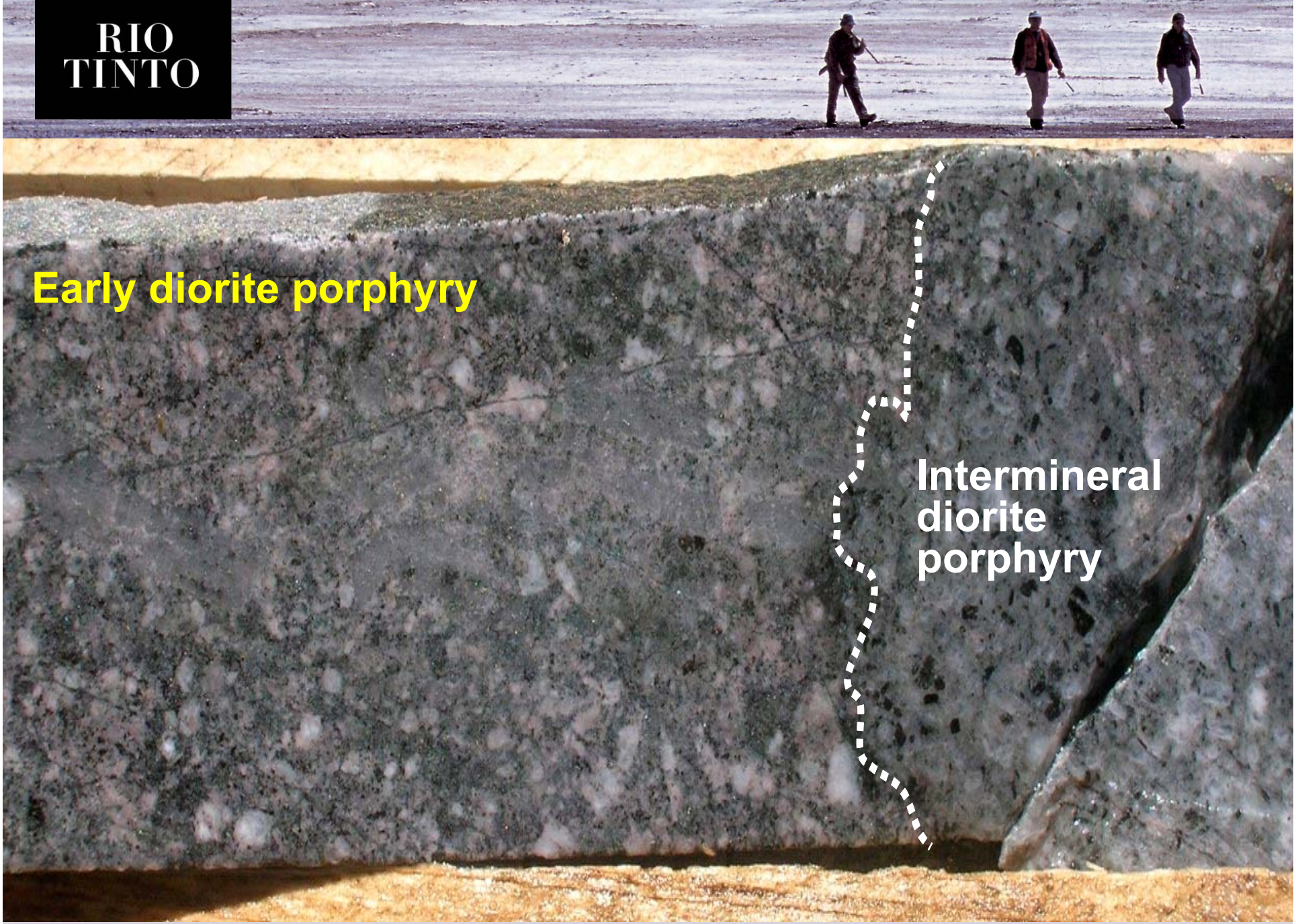


RIO TINTO

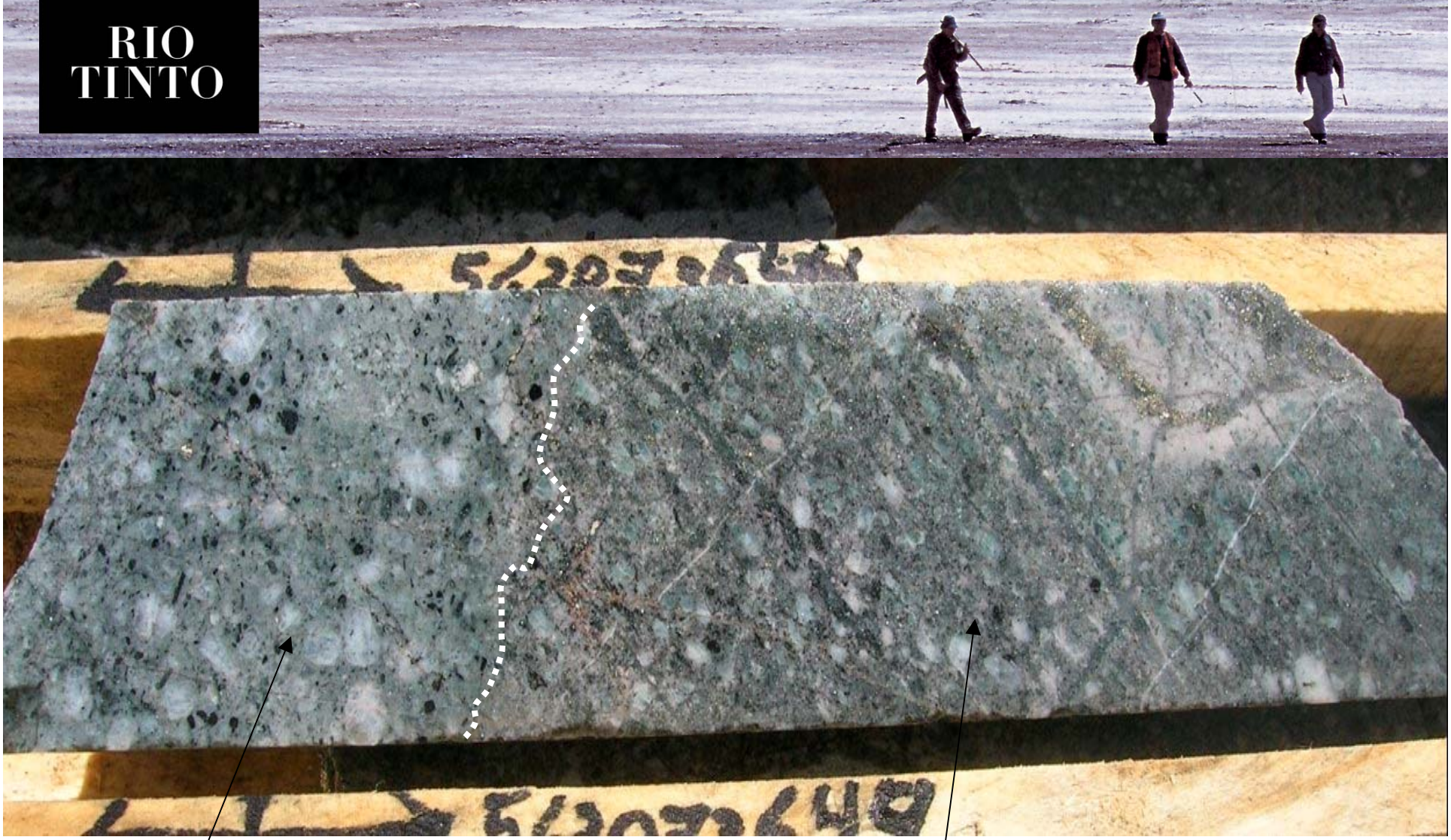
Pimentón Hole 6 128m Early diorite porphyry with A-veinlets and chalcopyrite – bornite mineralisation



RIO TINTO



RIO TINTO



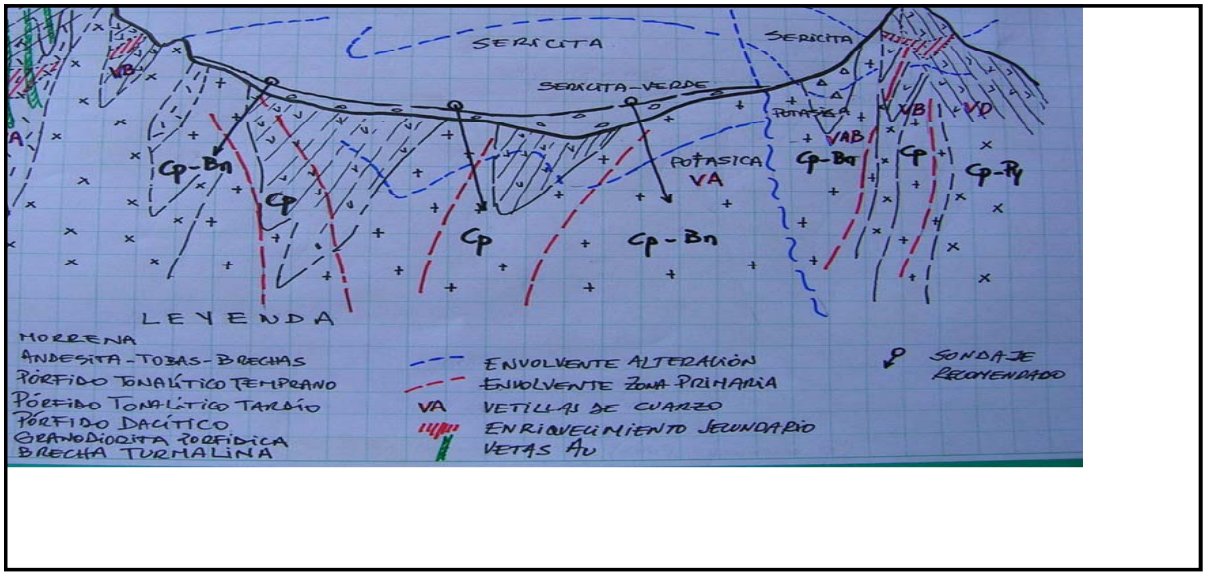
Intermineral Diorite porphyry

Early diorite porphyry

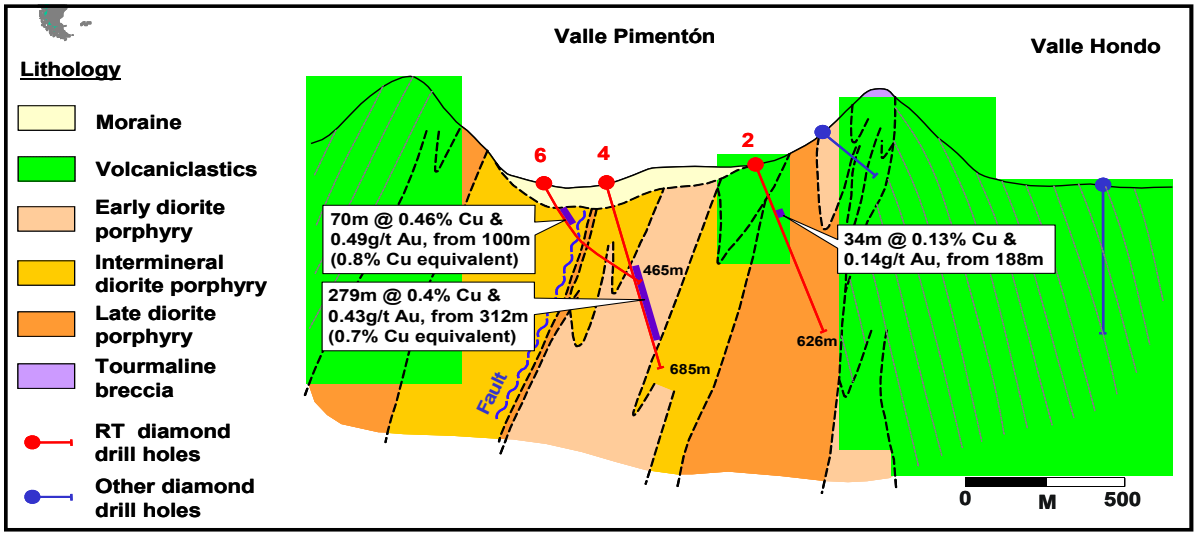
RIO TINTO

Intermineral diorite porphyry

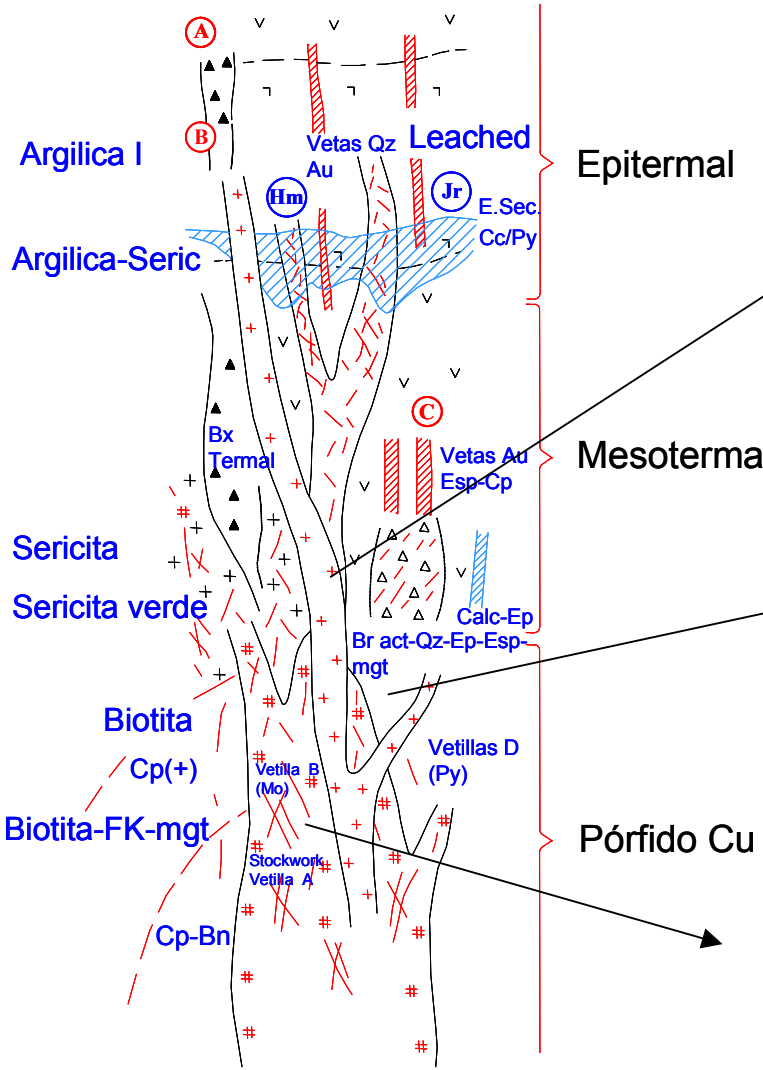
Early diorite porphyry

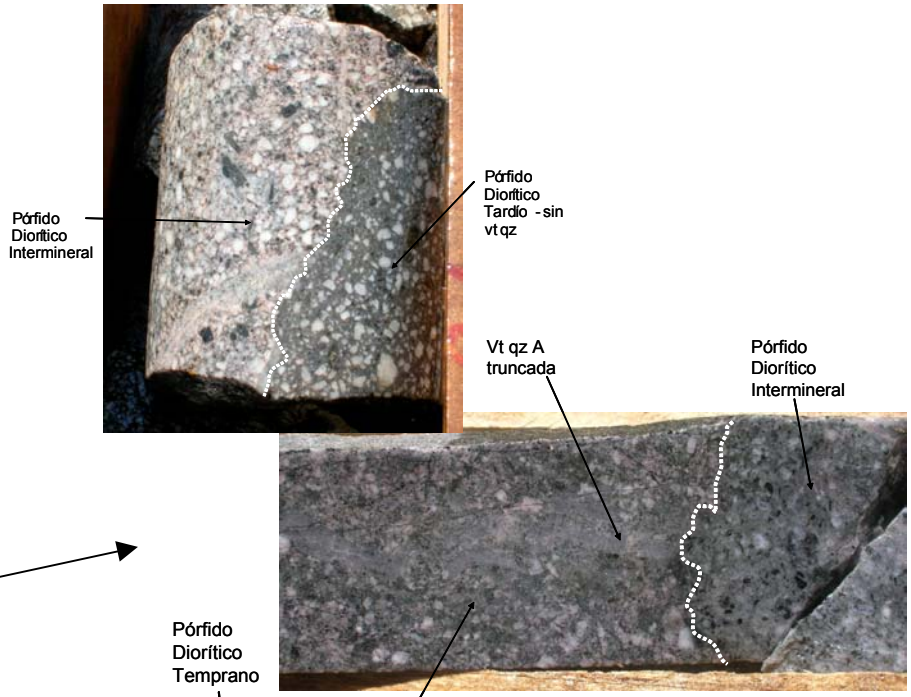


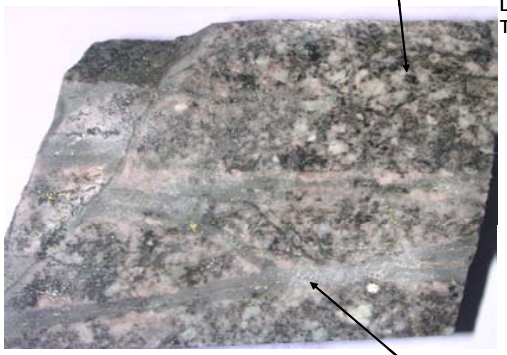
MODELO GEOLOGICO PREDICTIVO



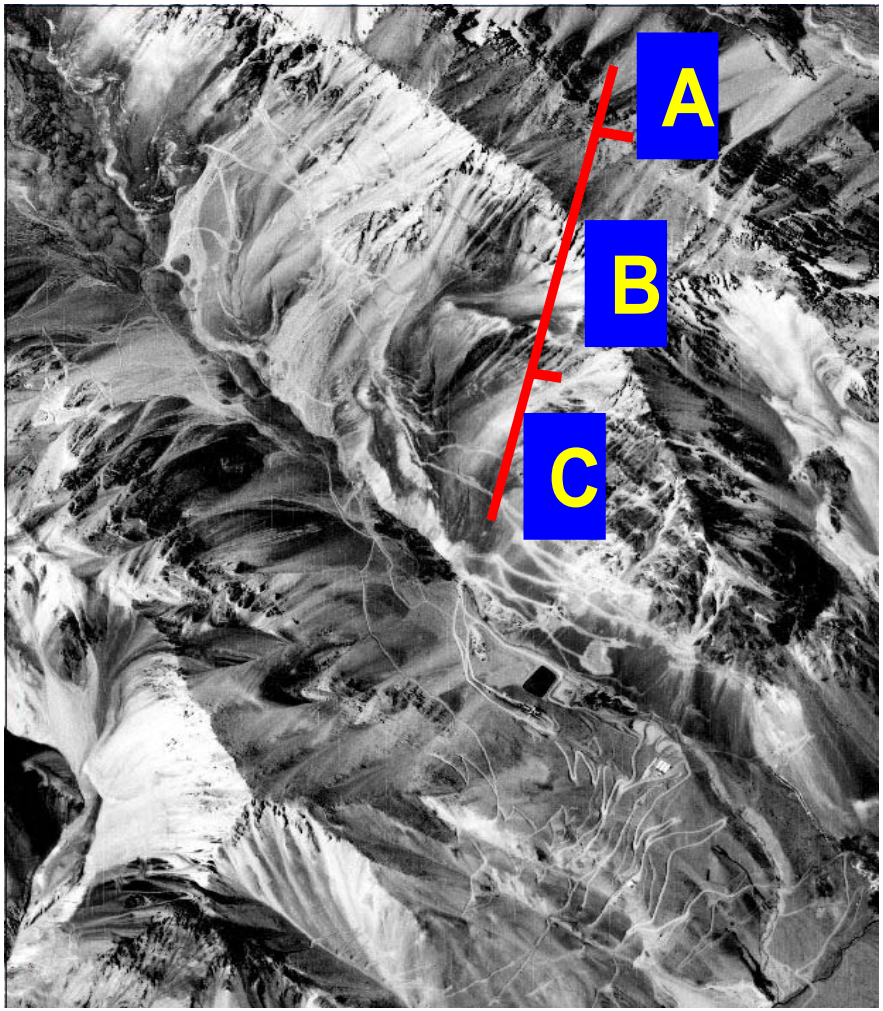
MODELO GEOLOGICO CON INFORMACION DE NUEVOS SONDAJES

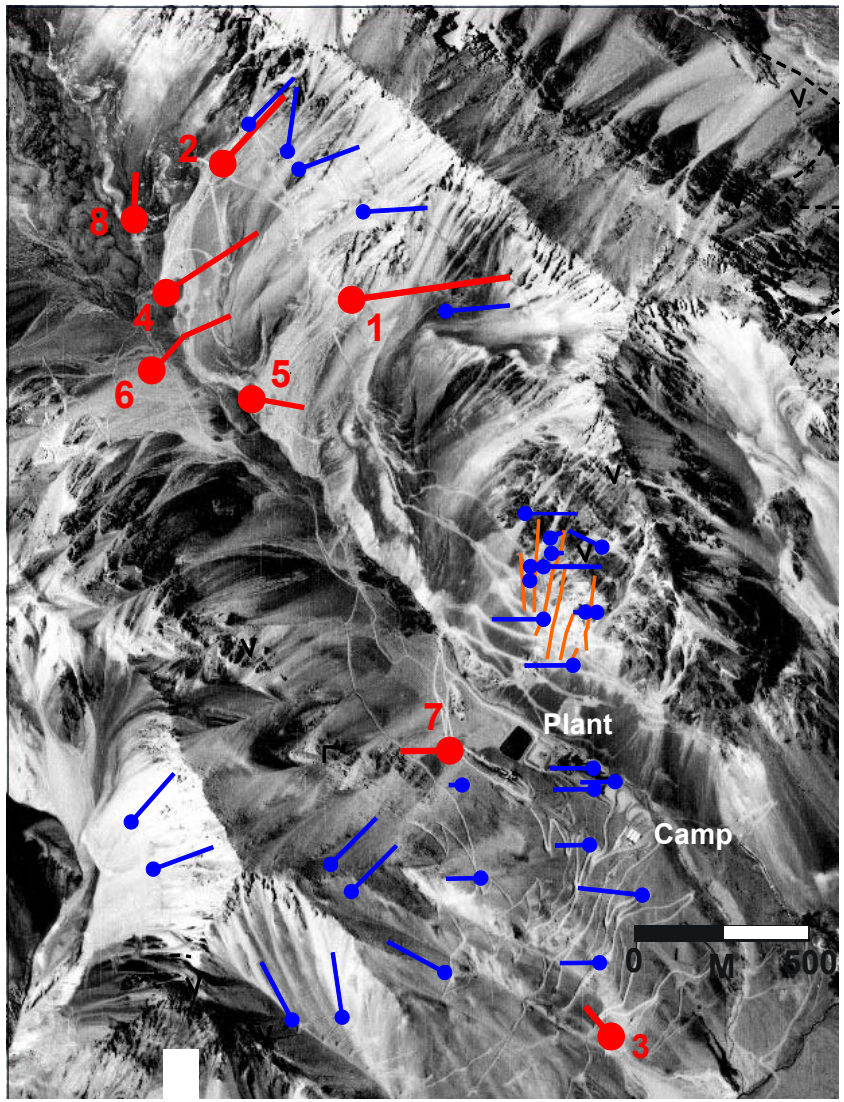

A
B
Argilica I
Vetas Qz
Au
Leached
Hm
Jr
E.Sec.
Cc/Py
Argilica-Seric
Epitermal
C
Bx
Termal
Vetas Au
Esp-Cp
Mesotermal
Sericita
Sericita verde
Calc-Ep
Br act-Qz-Ep-Esp-
mgt
Biotita
Cp(+)
Vetilla B
(Mo)
Vetillas D
(Py)
Biotita-FK-mgt
Stockwork
Vetilla A
Pórfido Cu
Cp-Bn


Pórfido
Diorítico
Intermineral
Pórfido
Diorítico
Tardío - sin
vt qz
Vt qz A
truncada
Pórfido
Diorítico
Intermineral
Pórfido
Diorítico
Temprano
Pórfido
Diorítico
Temprano


Vt qz A – cp

Unidad	Columna	Litología
Fm. FARELLONES	A	Andesita porfídica gruesas y afanítica con intercalaciones brechas volcánicas
	B	Toba soldada Toba cristalina-lítica
	C	Andesita porfídica, aglomerados, areniscas tobáceas y andesita grano fino





SONDAJES PIMENTON

2005: 3 POZOS DDH – 1.822,9 m

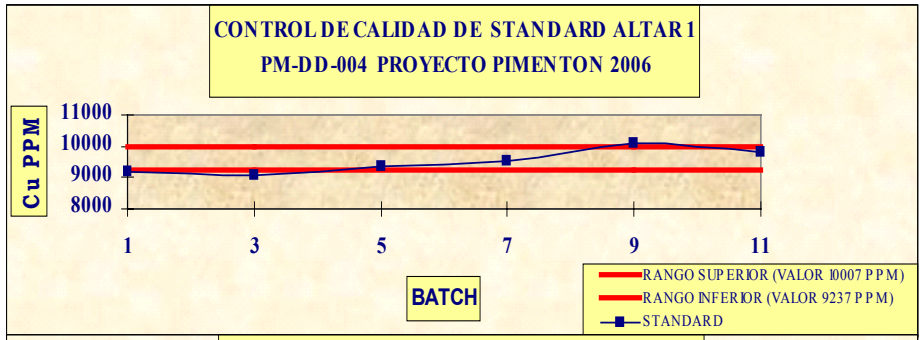
2006: 5 POZOS DDH – 2.068,2 m

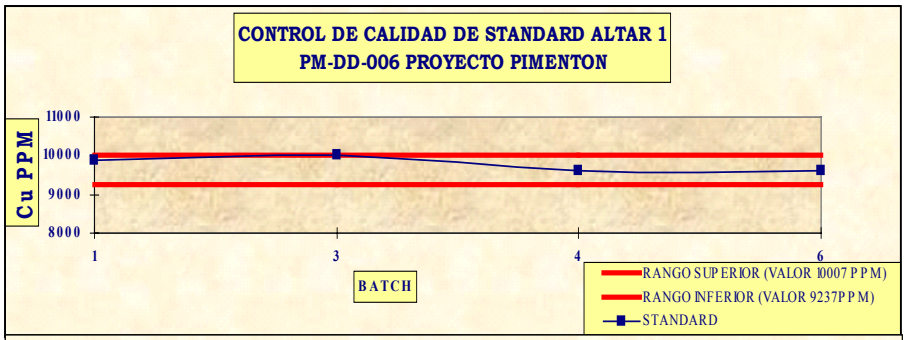
TOTAL 3.891,1 m

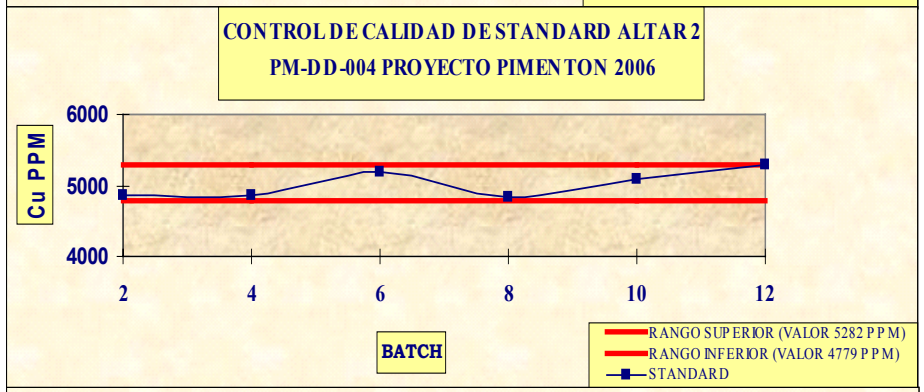
- **RIO TINTO**
- **PIMENTON**

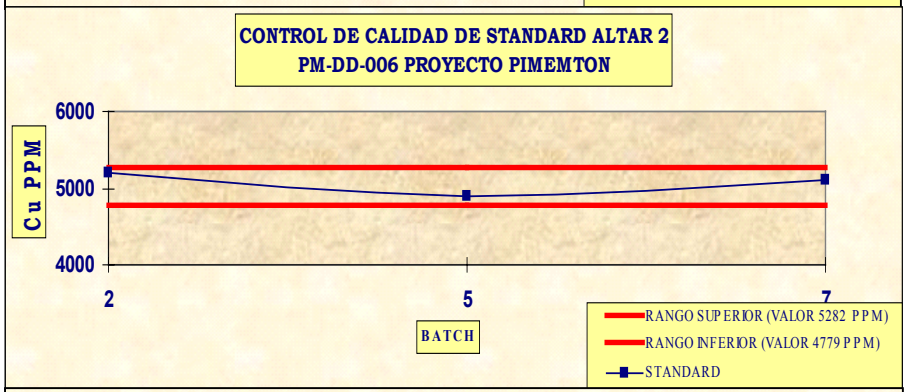
RIO TINTO

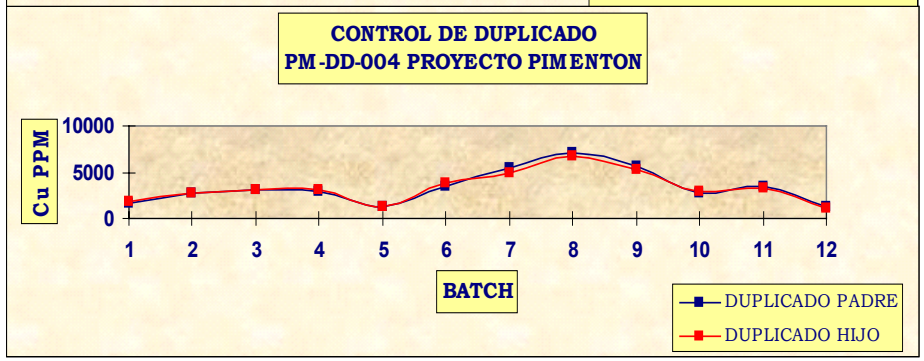
CONTROL DE CALIDAD

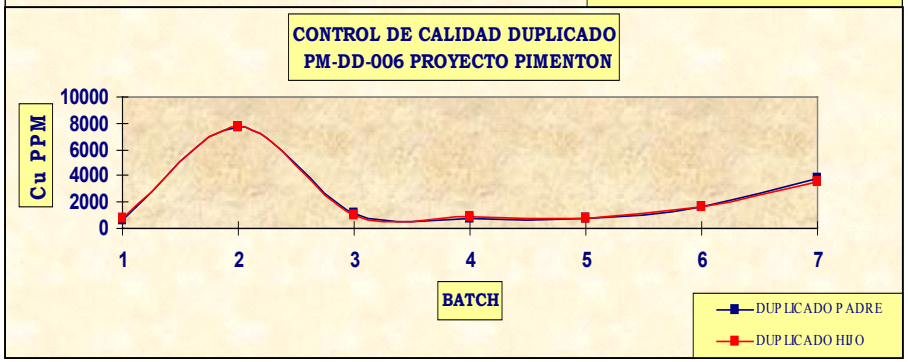




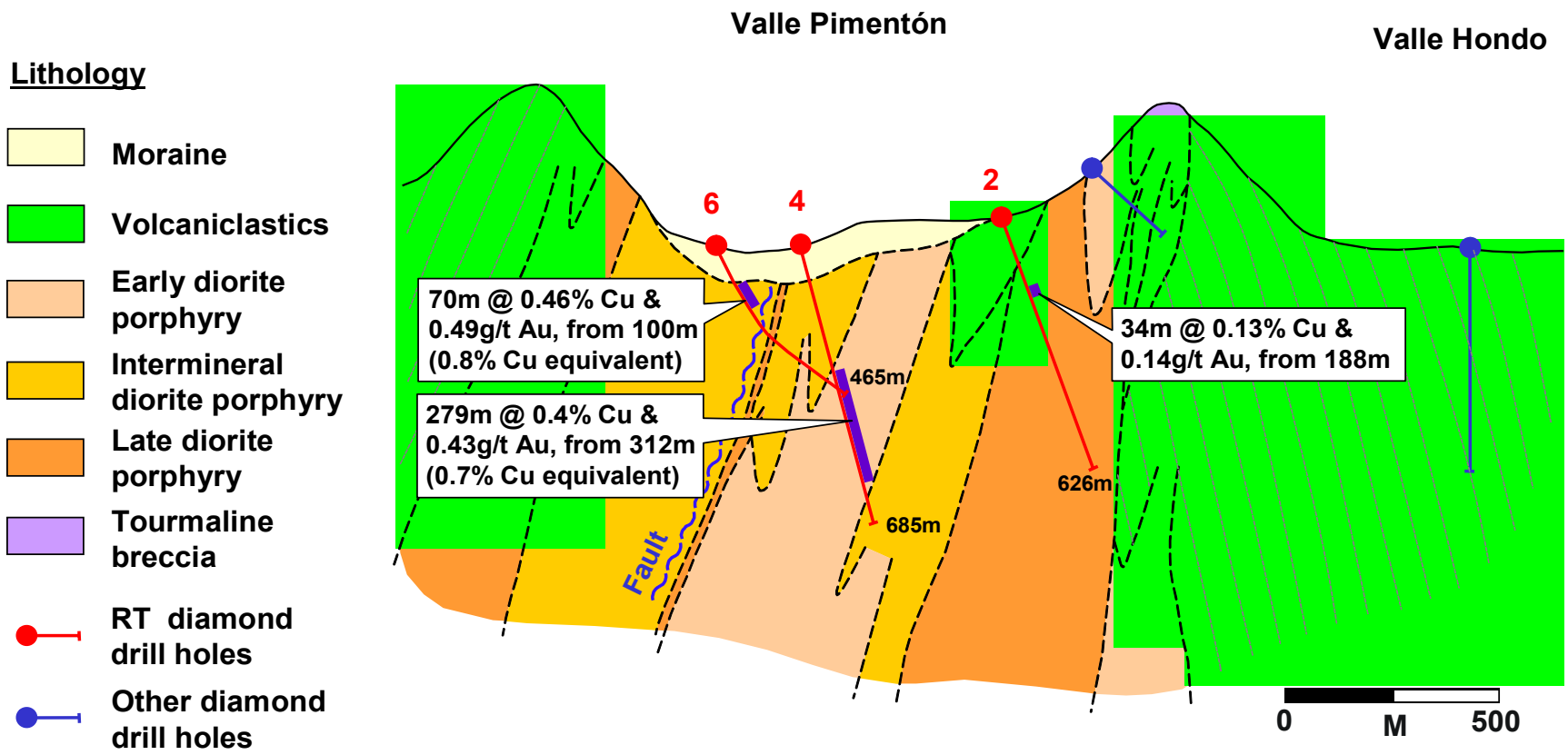




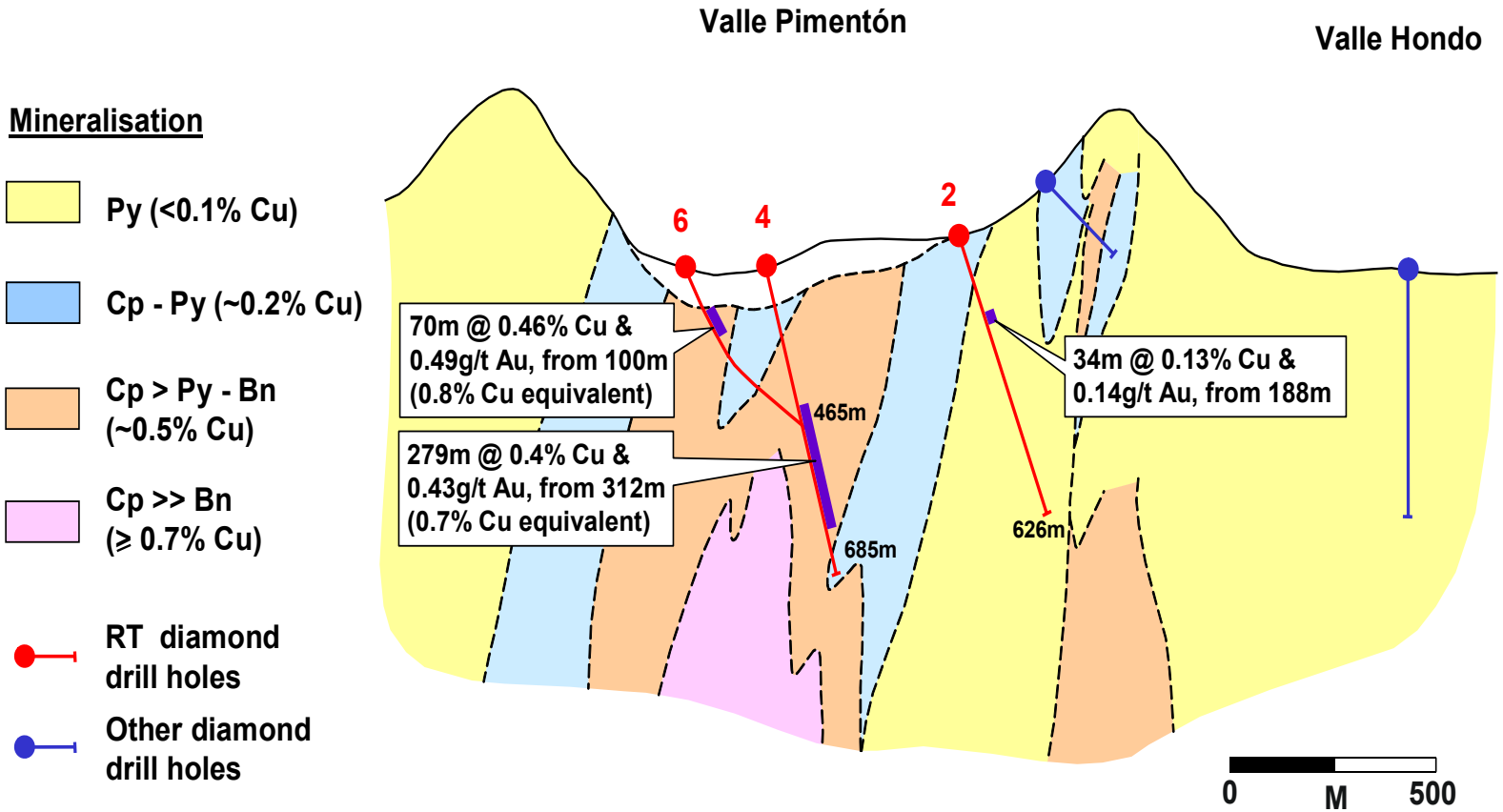




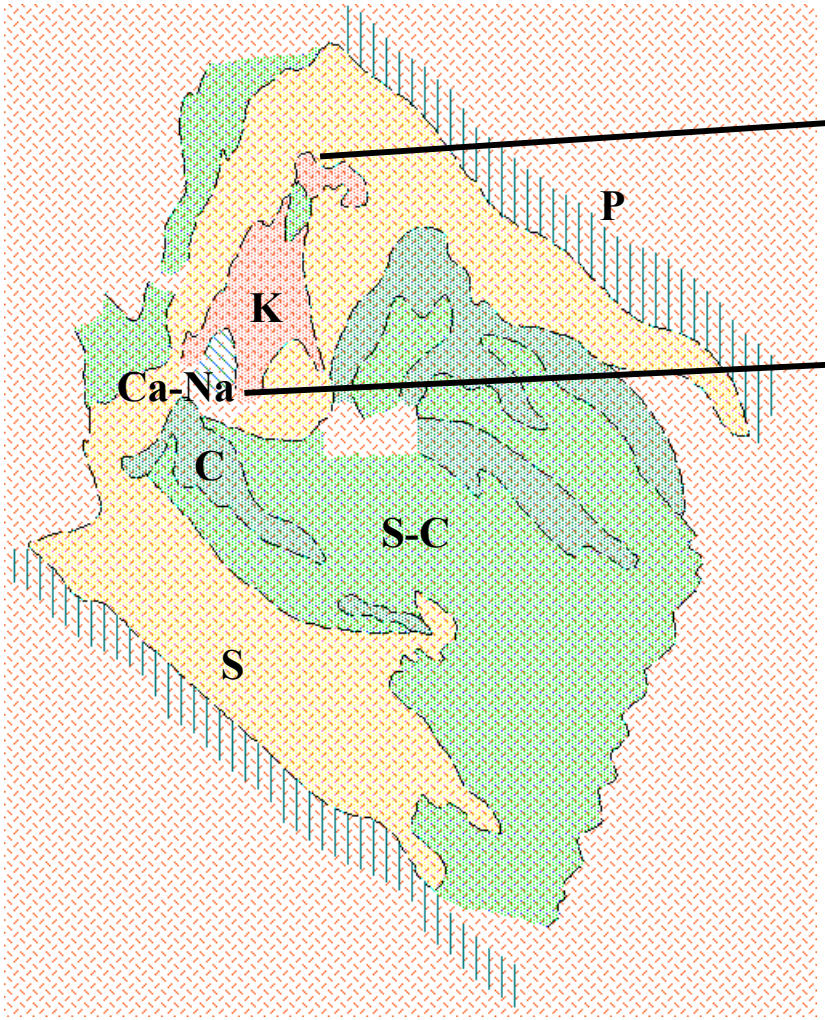
SECCION LITOLOGIA-ESTRUCTURA

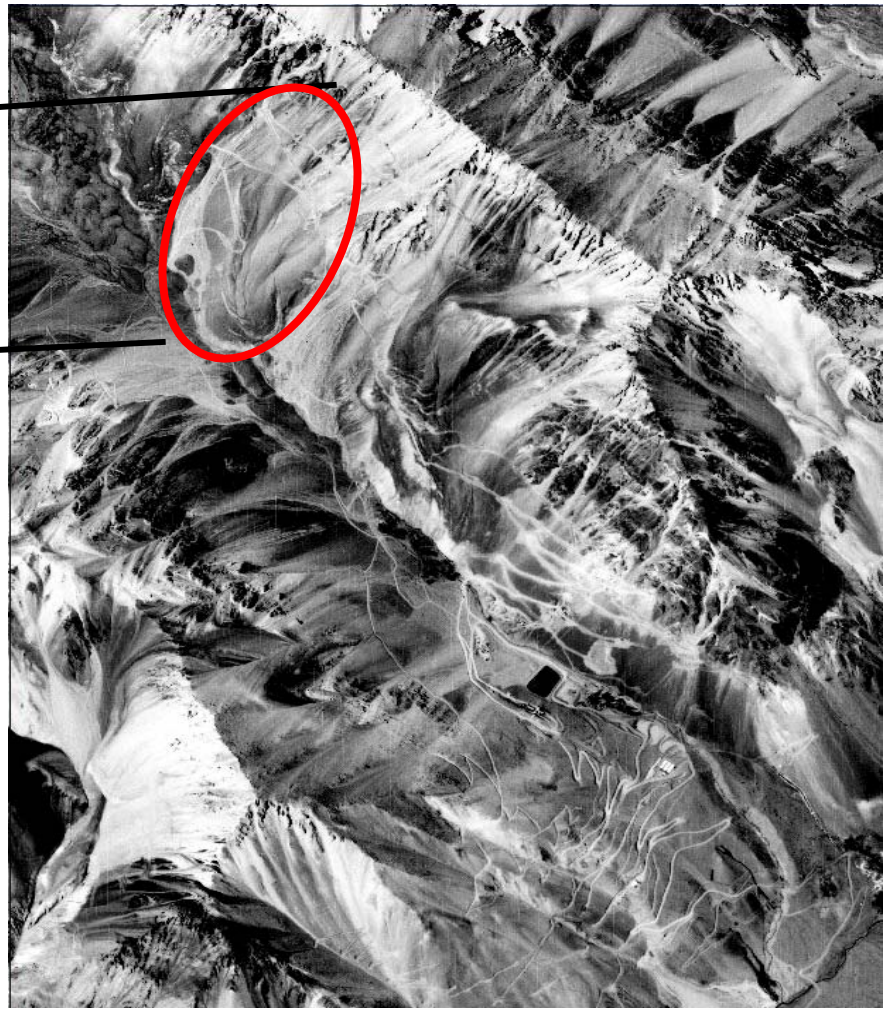


SECCION ZONA MINERAL



ZONA DE ALTERACION





RESULTADOS DE LEYES Cu - Au

HOLE
PM-DD-004

			GRADE AVERAGE	
FROM	**TO**	**LARGE m**	**Cu%**	**Au gr/tn**
83.7	681.15	**597.45**	**0.28**	**0.32**

INCLUYE

FROM	LARGE m	Cu%	Au gr/tn
148.5	56	0.30	0.31
259	49	0.22	0.22
312	279	0.40	0.43
(312) 385	121	0.44	0.46
(312) 553	35	0.44	0.46
591	37	0.22	0.25
600	26	0.23	0.25

HOLE
PM-DD-006

			GRADE AVERAGE	
FROM	**TO**	**LARGE m**	**Cu%**	**Au gr/tn**
95.5	464	**368.5**	**0.23**	**0.26**

INCLUYE

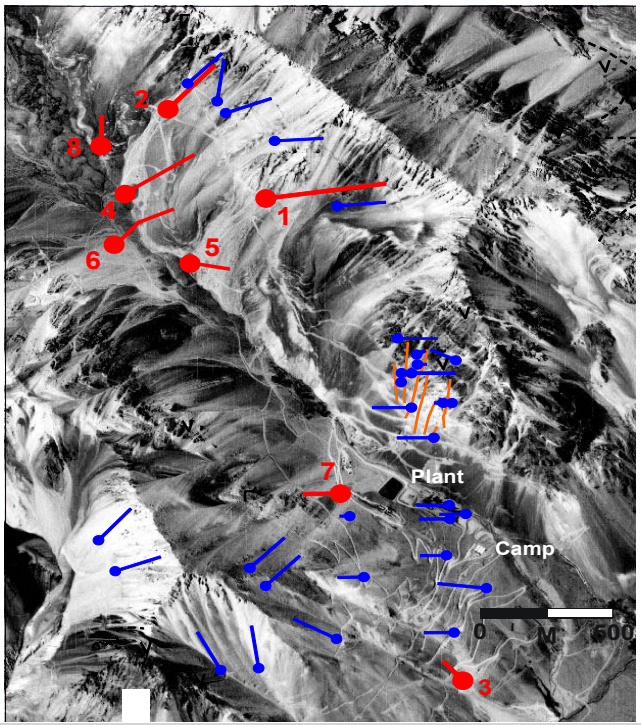
FROM	LARGE m	Cu%	Au gr/tn
100	72	0.46	0.48
(100) 106	58	0.50	0.52
224	34	0.21	0.21
280	20	0.23	0.27
388	48	0.33	0.43

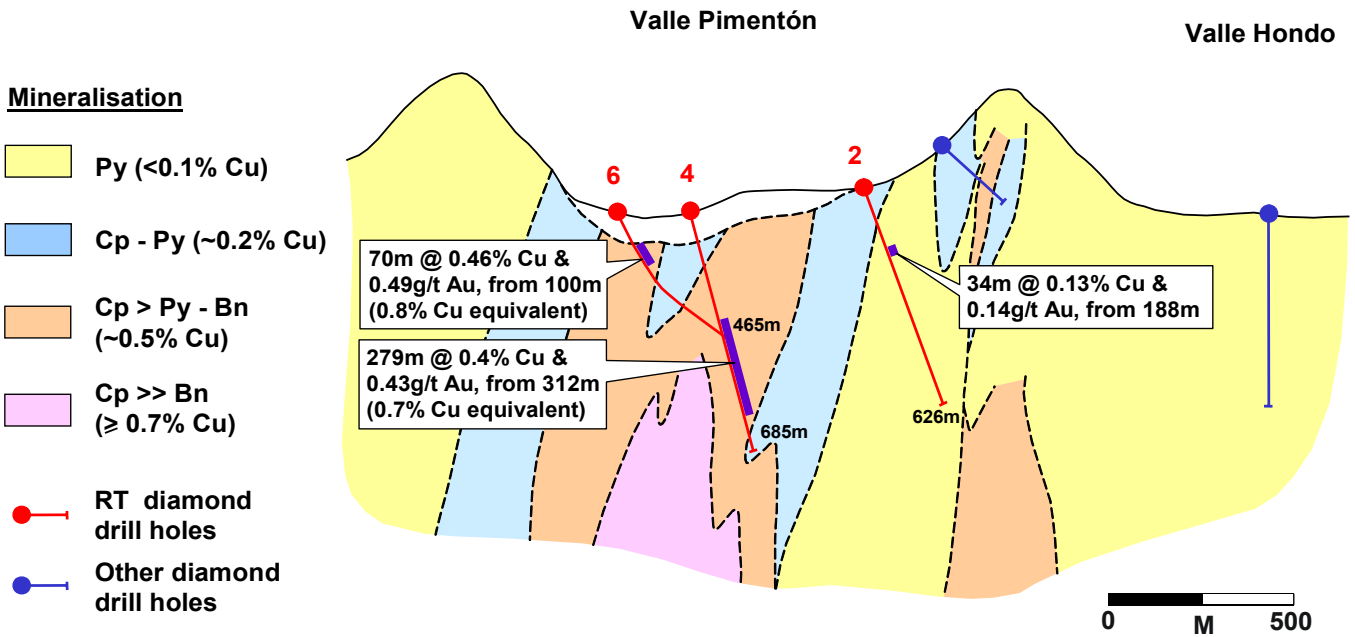
HOLE
PM-DD-005

			GRADE AVERAGE	
FROM	**TO**	**LARGE m**	**Cu%**	**Au gr/tn**
69	332	**263**	**0.12**	**0.10**

INCLUYE

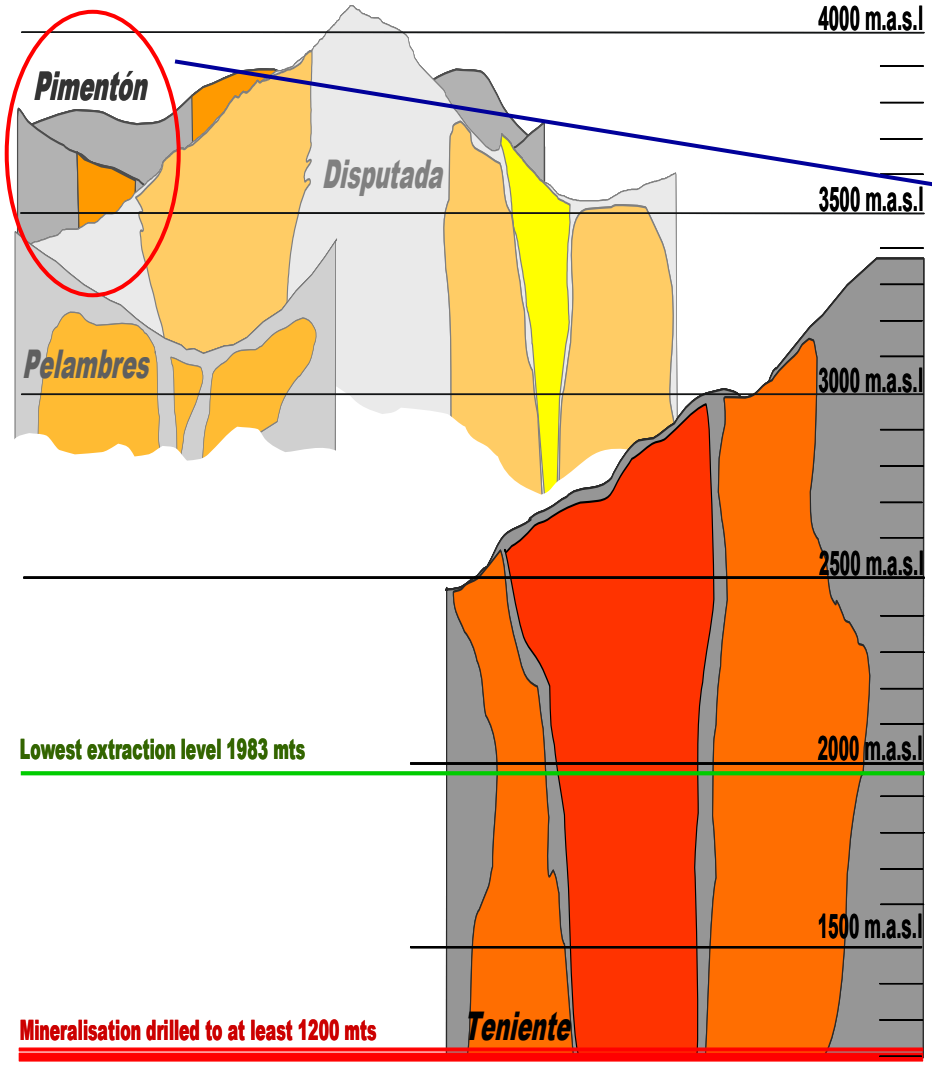
FROM	LARGE m	Cu%	Au gr/tn
69	44	0.20	0.22
151	20	0.32	0.15

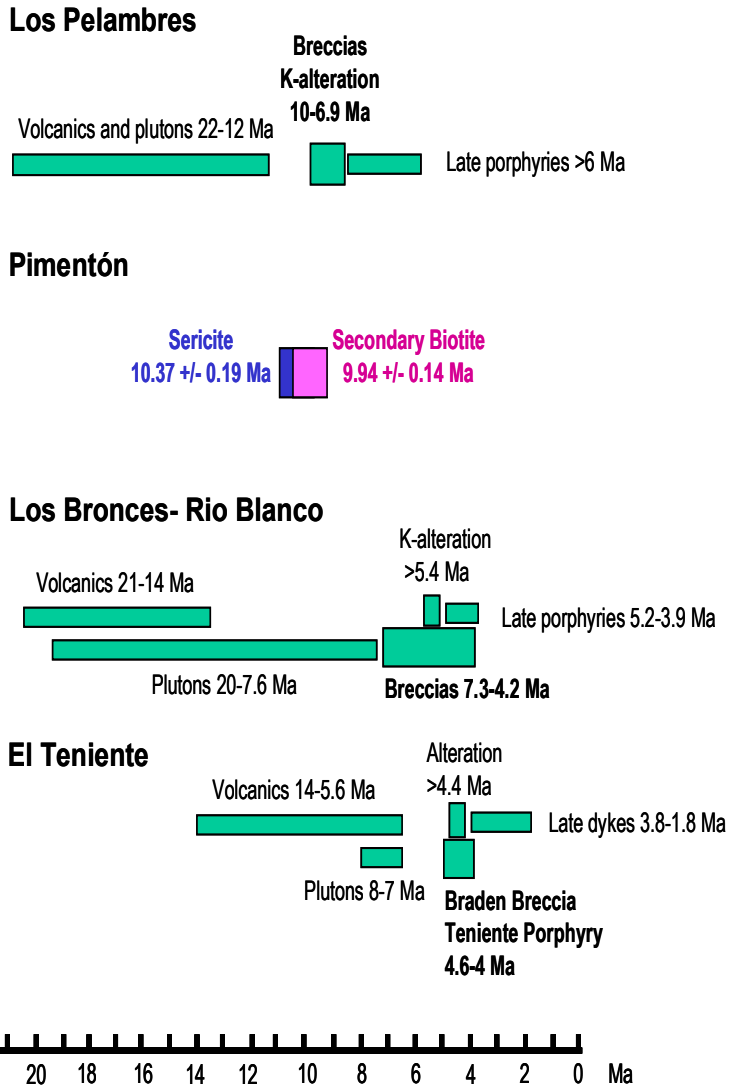




PM-DD-004

Metraje (m)	Abundancia relativa %			Leyes		vetillas Qz
	magnetita	calcopirita	bornita	% Cu	gr/tn Au	
197	4	2 a 3		0.27	0.38	B
330		2 a 3		0.31	0.38	B
357	3 a 3,5	1,5 a 2	traza	0.33	0.31	A y B
419	3 a 4	2,5 a 3		0.30	0.40	EB-B-D
575	4 a 5	1,5	traza	0.40	0.47	EB-A-B


4000 m.a.s.l
3500 m.a.s.l
3000 m.a.s.l
2500 m.a.s.l
2000 m.a.s.l
1500 m.a.s.l
Pimentón
Disputada
Pelambres
Teniente
Lowest extraction level 1983 mts
Mineralisation drilled to at least 1200 mts


Los Pelambres
Breccias
K-alteration
10-6.9 Ma
Volcanics and plutons 22-12 Ma
Late porphyries >6 Ma
Pimentón
Sericite
10.37 +/- 0.19 Ma
Secondary Biotite
9.94 +/- 0.14 Ma
Los Bronces- Rio Blanco
K-alteration
>5.4 Ma
Volcanics 21-14 Ma
Late porphyries 5.2-3.9 Ma
Plutons 20-7.6 Ma
Breccias 7.3-4.2 Ma
El Teniente
Alteration
>4.4 Ma
Volcanics 14-5.6 Ma
Late dykes 3.8-1.8 Ma
Plutons 8-7 Ma
Braden Breccia
Teniente Porphyry
4.6-4 Ma
22 20 18 16 14 12 10 8 6 4 2 0 Ma

Conclusions and recommendations

- A large Cu-Au porphyry deposit was identified in the Pimentón valley under relatively shallow moraine

- This new Cu-Au deposit is one of the most significant discoveries in the Farellones belt in the last years

- Although the Cu and Au grades can be considered subeconomic at this stage, there is potential for a high grade core in depth

Conclusions and recommendations (cont.)

- It is recommend to drill a few deep holes in the main valley to evaluate the vertical extension of mineralisation

- Potential resources of several hundreds million tonnes is thought to be a realistic scenario

- Results of exploration programme done by Rio Tinto have added a significant value to the Pimentón project and subsequently to their stakeholders