

# Independent auditors' report to the members of Rio Tinto plc and Rio Tinto Limited

We have audited the financial statements of the Rio Tinto Group (the "Group Financial Statements") for the year ended 31 December 2007 which comprise the Group Income Statement, the Group Balance Sheet, the Group Cash Flow Statement, the Group Statement of Recognised Income and Expense, the Group Reconciliation with Australian IFRS and the related notes; and the financial statements of Rio Tinto plc (the 'Rio Tinto plc Financial Statements') which comprise the Rio Tinto plc Balance Sheet and the related notes. The Group Financial Statements and the Rio Tinto plc Financial Statements (together the 'Financial Statements') have been prepared under the accounting policies set out therein. We have also audited the information in the Remuneration Report included in the accompanying Annual Report that is described as having been audited, comprising the information required by Part 3 of Schedule 7A to the United Kingdom Companies Act 1985 (the 'Part 3 of Schedule 7A Information') and the information about the remuneration of key management personnel required by paragraph 25 of Australian Accounting Standard AASB 124 'Related Party Disclosures' (the 'Australian Remuneration Disclosures').

## Respective responsibilities of directors and auditors

The directors' responsibilities for preparing the Annual Report and the Group Financial Statements in accordance with applicable law in the United Kingdom and Australia as amended by the Australian Securities and Investments Commission Order dated 27 January 2006 (as amended on 22 December 2006) (the 'ASIC Order') and International Financial Reporting Standards ('IFRSs') as adopted by the European Union and for preparing the Rio Tinto plc Financial Statements and the Remuneration Report in accordance with applicable United Kingdom law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and, in relation to the Australian Remuneration Disclosures, in accordance with paragraph 25 of Australian Accounting Standard AASB 124 'Related Party Disclosures' are set out in the statement of directors' responsibilities included in the Corporate Governance section of the accompanying Annual Report.

Our responsibility is to audit the Financial Statements and the part of the Remuneration Report to be audited in accordance with relevant legal and regulatory requirements in the United Kingdom and Australia and International Standards on Auditing (UK and Ireland). This report, including the opinion, has been prepared for and only for the members of Rio Tinto plc and Rio Tinto Limited (the 'Companies') as a body in accordance with Section 235 of the United Kingdom Companies Act 1985 (in respect of Rio Tinto plc) and Section 308 of the Australian Corporations Act 2001 (in respect of Rio Tinto Limited) and for no other purpose. We do not, in giving this opinion, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

We report to you our opinion as to whether the Financial Statements give a true and fair view and whether the Financial Statements and the part of the Remuneration Report to be audited have been properly prepared in accordance with the United Kingdom Companies Act 1985, the Australian Corporations Act 2001 as amended by the ASIC Order and paragraph 25 of Australian Accounting Standard AASB 124 'Related Party Disclosures' and whether, in addition, the Group Financial Statements have been properly prepared in accordance with Article 4 of the EU IAS Regulation. We also report to you whether, in our opinion, the information given in the Directors' Report included in the accompanying Annual Report is consistent with the Financial Statements. The information given in the Directors' Report includes that specific information presented in the Operating and Financial Report that is cross referred from the Directors' Report.

In addition, we report to you if, in our opinion, the Companies have not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by United Kingdom law regarding directors' remuneration and other transactions is not disclosed.

We review whether the corporate governance statement reflects Rio Tinto plc's compliance with the nine provisions of the Combined Code 2006 specified for our review by the Listing Rules of the Financial Services Authority, and we report if it does not. We are not required to consider whether the board's statement on internal control covers all risks and controls, or form an opinion on the effectiveness of the Companies' or Group's corporate governance procedures or their risk and control procedures.

We read other information contained in the Annual Report and consider whether it is consistent with the audited Financial Statements. The other information comprises only those sections preceding the 'Shareholders information'. We consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with the Financial Statements. Our responsibilities do not extend to any other information.

## Basis of audit opinion

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board in the United Kingdom. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the Financial Statements and the part of the Remuneration Report to be audited. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the Financial Statements, and of whether the accounting policies are appropriate to the circumstances of the Rio Tinto Group and Rio Tinto plc, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the Financial Statements and the part of the Remuneration Report to be audited are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the Financial Statements and the part of the Remuneration Report to be audited.

## Opinion

In our opinion:

- the Group Financial Statements give a true and fair view, in accordance with IFRSs as adopted by the European Union, of the state of the Rio Tinto Group's affairs as at 31 December 2007 and of its profit and cash flows for the year then ended;
- the Group Financial Statements have been properly prepared in accordance with the United Kingdom Companies Act 1985, the Australian Corporations Act 2001 as amended by the ASIC Order and Article 4 of the EU IAS Regulation;
- the Rio Tinto plc Financial Statements give a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice, of the state of Rio Tinto plc's affairs as at 31 December 2007;
- the Rio Tinto plc Financial Statements have been properly prepared in accordance with the United Kingdom Companies Act 1985;
- the auditable information contained within the Remuneration Report included in the accompanying Annual Report required by Part 3 of Schedule 7A to the United Kingdom Companies Act 1985 has been properly prepared in accordance with the United Kingdom Companies Act 1985 and the information about the remuneration of key management personnel contained within the Remuneration Report complies with the requirements of paragraph 25 of Australian Accounting Standard AASB 124 'Related Party Disclosures'; and
- the information given in the Directors' Report included in the accompanying Annual Report is consistent with the Financial Statements.

## Separate opinion in relation to IFRSs

As explained in Note 1 'Principal accounting policies' to the Group Financial Statements, the Group in addition to complying with its legal obligation to comply with IFRSs as adopted by the European Union, has also complied with the IFRSs as issued by the International Accounting Standards Board.

In our opinion the Group Financial Statements give a true and fair view, in accordance with IFRSs, of the state of the Group's affairs as at 31 December 2007 and of its profit and cash flows for the year then ended.

**PricewaterhouseCoopers LLP**  
Chartered Accountants &  
Registered Auditors  
London  
5 March 2008  
in respect of the members of  
Rio Tinto plc

**PricewaterhouseCoopers**  
Chartered Accountants  
Brisbane  
5 March 2008  
in respect of the members of  
Rio Tinto Limited