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Rio Tinto commits to funding studies on lithium-borate project in Serbia through 2017; Serbian Mining Ministry extends licensing agreement for Jadar project

Belgrade, Serbia, Feb. 17, 2016 – Rio Tinto has authorized funding to complete the prefeasibility study of the Jadar lithium-borate project in Serbia. The Serbian government recently extended the exploration license agreement for the project.

More than US\$20 million will be directly invested in Serbia through the end of 2017 to complete the studies required for the prefeasibility stage of the project and obtain a resource reserve certificate from the Serbian Government. To date, Rio Tinto has invested US\$70 million in the Jadar project, located about 140 kilometers from Belgrade near Loznica.

“The Jadar project and Rio Tinto Minerals remain an important part of Rio Tinto’s portfolio,” said Dean Gehring, President and Chief Executive Officer, Rio Tinto Minerals. “We appreciate our partnership with the Serbian government as we further assess the technical, economic and environmental viability of the project.”

The Serbian government recently passed the law on Mining and Geological Exploration, which makes it more attractive to secure foreign direct investment in large mining projects. This is an important step to advance projects such as Jadar.

Serbia is the only known source of Jadarite, a new mineral discovered in 2004 by Rio Sava, a wholly owned subsidiary of Rio Tinto.

The Jadar deposit is a world-class lithium-borate deposit and among the largest lithium deposits in the world. If developed, the Jadar project would be a modern mine with processing facilities that could supply more than 10 percent of the world’s lithium demand for end uses including batteries and electric vehicles.

Studies are underway to determine the optimum-sized operation that complements Rio Tinto Minerals’ borate mining operations in Southern California.

During the next two years, Rio Tinto’s project team will conduct a number of studies to further assess the technical, environmental, economic and social viability of the project. The outcome of this work determines if the project can advance to Feasibility stage.

To date, the work programs have considered many development options to identify the optimal pathway for mining and processing of Jadarite for the production of high quality lithium and borate products.

Rio Tinto's strategy is to invest in and operate long-life, low-cost, expandable operations in the most attractive industry sectors. These commitments provide opportunities to plan, implement and deliver sustainable developments that contribute to social well-being economic prosperity everywhere the company operates.

About Rio Tinto Minerals

Part of Rio Tinto Group, Rio Tinto Minerals supplies about 30 percent of the world's refined borates – a critical ingredient in hundreds of products including glass, fiberglass, ceramics, fertilizers, wood preservatives and detergents – from its current mine in California's Mojave Desert, one of the richest borate deposits on earth. Learn more at borax.com.

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