

Rio Tinto Group

RULES FOR DEALING IN SECURITIES OF RIO TINTO, ITS SUBSIDIARY AND ASSOCIATED COMPANIES AS ADOPTED BY THE BOARDS ON 7 FEBRUARY 2012

Introduction

The purpose of these Rules is to ensure that persons discharging managerial responsibilities (“PDMR”) and employee insiders do not abuse, and do not place themselves under suspicion of abusing, inside information that they have or may be thought to have, especially in periods leading up to an announcement of Rio Tinto’s results.

These Rules impose restrictions on dealing in the securities of Rio Tinto beyond those imposed by law. Nothing in these Rules sanctions a breach of any relevant legal or regulatory requirements.

In particular all directors and employees must comply with applicable “insider trading” legislation in relation to dealing in Rio Tinto securities and securities of other companies where they obtain inside information. If directors or employees are aware of inside information, it is illegal for them to:

- (a) deal in the securities of Rio Tinto or of any third party where inside information exists;
- (b) advise, procure or encourage any other person to deal in the securities of Rio Tinto or of any third party where inside information exists; or
- (c) pass on inside information to any other person who they know, or ought reasonably to know, that the other person would or would be likely to deal or procure another person to deal in the securities of Rio Tinto or of any third party where inside information exists.

The prohibition against insider trading applies equally to trading in circumstances where inside information is held by directors or employees in respect of another company’s securities.

In addition to these Rules, PDMR and employee insiders may from time to time be directed by Rio Tinto that they are not permitted to deal in the securities of certain nominated companies.

Failure to comply with these Rules will subject the PDMR or employee to internal disciplinary procedures and could lead to civil or criminal investigation or penalties.

Definitions

1. In these Rules the following definitions apply unless the context requires otherwise:
 - (a) “close period” means the period of 60 days immediately preceding the preliminary announcement and the interim announcement of Rio Tinto’s annual results and half year results or, if shorter, the period from the end of the relevant financial period up to and including the time of announcement;
 - (b) “company” means Rio Tinto plc and Rio Tinto Limited;

(c) “connected person” means in relation to a PDMR:

- i. spouse or partner of the PDMR, child or step child under the age of 18 of the PDMR's spouse or partner;
- ii. a relative who has shared the same household as the PDMR for at least 12 months on the date of the transaction in question or anyone else who is a member of the PDMR's family and may be expected to influence the PDMR, or be influenced by the PDMR, in the PDMR's dealings with the company;
- iii. companies with which the PDMR is associated by reason of him and / or his connected persons holding at least 20% of the share capital or controlling the exercise of at least 20% of the voting power at any general meeting;
- iv. a trustee where the beneficiaries of the trust include the PDMR or a person referred to in (i) or (ii) above;
- v. business partners of the PDMR or of a person referred to in (i), (ii) or (iv) above; and
- vi. companies in which the PDMR or a person referred to in (i), (ii), (iv) or (v) above is a director or a senior executive who has the power to make management decisions affecting the future development and business prospects of that company.

(d) “dealing” includes:

- (i) any acquisition or disposal of, or agreement to acquire or dispose of any Rio Tinto securities;
- (ii) entering into a contract (including a contract for difference) the purpose of which is to secure a profit or avoid a loss by reference to fluctuations in the price of any Rio Tinto securities;
- (iii) the grant, acceptance, acquisition, disposal, exercise or discharge of any option (whether for the call, or put or both) to acquire or dispose of any Rio Tinto securities;
- (iv) entering into, or terminating, assigning or novating any stock lending agreement in respect of Rio Tinto securities;
- (v) using as security, or otherwise granting a charge, lien or other encumbrance over Rio Tinto securities;
- (vi) any transaction, including a transfer for nil consideration, or the exercise of any power or discretion effecting a change of ownership of a beneficial interest in Rio Tinto securities; or
- (vii) any other right obligation or agreement, present or future, conditional or unconditional, to do any of the above things,

and "deal" has a corresponding meaning;

- (e) “employee insider” means an employee of the Group who has access to inside information whether on a regular or occasional basis and who is advised that their name has been placed on the permanent insider list or a project insider list maintained by the Company Secretary of Rio Tinto plc. The permanent insider list is not an Insider List under Section 2.8 of the UK Financial Services Authority’s Disclosure and Transparency Rules;
- (f) “Group” means Rio Tinto plc and Rio Tinto Limited or any of their respective Subsidiary and associated companies;
- (g) “inside information” means information which is not generally available and, if it were generally available, would be likely to have, and/or a reasonable person would expect it to have, a significant effect on the price or value of Rio Tinto securities or would be likely to influence persons who commonly acquire securities in deciding whether or not to acquire or dispose of Rio Tinto securities. This information may include matters of supposition, matters that are insufficiently definite to warrant being made known to the public and matters relating to the intentions or likely intentions of a person;
- (h) “key management personnel” (“KMP”) has the meaning given in the Australian Corporations Act, being those persons having authority and responsibility for planning, directing and controlling the activities of Rio Tinto Limited, directly or indirectly, including any director (whether executive or otherwise) of the company. Rio Tinto has determined that, in addition to the Rio Tinto Limited directors, all members of the Executive Committee will constitute the Group’s KMP;
- (i) “persons discharging managerial responsibilities” (“PDMR”) means a director of Rio Tinto plc or Rio Tinto Limited, and any member of the Group’s Executive Committee and any other person who is a KMP;
- (j) “prohibited period” means:
 - (i) any close period; or
 - (ii) any period when there exists any matter which constitutes inside information in relation to the Group;
- (k) “restricted person” means a PDMR or an employee insider;
- (l) “Rio Tinto” means Rio Tinto plc and Rio Tinto Limited;
- (m) “Rio Tinto securities” means any publicly traded or quoted securities of the Group, securities that are convertible into such securities and any financial products issued or created over or in respect of such securities;
- (n) “Subsidiary” means any company in which Rio Tinto has a controlling interest;

- (o) “trading plan” means a written plan between a non-executive director of Rio Tinto and an independent third party which sets out a strategy for the acquisition and/or disposal of Rio Tinto securities by or on behalf of that non-executive director or his connected persons and:
 - (i) specifies the amount of Rio Tinto securities to be dealt in and the price at which and the date on which the Rio Tinto securities are to be dealt in; or
 - (ii) gives discretion to that independent third party to make trading decisions about the amount of Rio Tinto securities to be dealt in and the price at which and the date on which the Rio Tinto securities are to be dealt in; or
 - (iii) includes a written formula or algorithm, or computer program, for determining the amount of Rio Tinto securities to be dealt in and the price at which and the date on which the Rio Tinto securities are to be dealt in.

Dealings not subject to the provisions of these Rules

2. The following dealings are not subject to the provisions of these Rules:

- (a) undertakings or elections to take up entitlements under a rights issue or other offer (including an offer of Rio Tinto securities in lieu of a cash dividend);
- (b) the take up of entitlements under a rights issue or other offer (including an offer of Rio Tinto securities in lieu of a cash dividend);
- (c) allowing entitlements to lapse under a rights issue or other offer (including an offer of Rio Tinto securities in lieu of a cash dividend);
- (d) the sale of sufficient entitlements nil-paid to take up the balance of the entitlements under a rights issue;
- (e) undertakings to accept, or the acceptance of, a takeover offer;
- (f) dealing where the beneficial interest in the relevant security of the company does not change;
- (g) transactions conducted between a restricted person and their spouse, civil partner, child or step-child (within the meaning of section 96B(2) of the Financial Services and Markets Act 2000);
- (h) transfers of shares arising out of the operation of an employees’ share scheme into a savings scheme investing in Rio Tinto securities following:
 - (i) exercise of an option under an approved SAYE option scheme; or
 - (ii) release of shares from a HM Revenue and Customs approved share incentive plan;

- (i) with the exception of a disposal of Rio Tinto securities received by a restricted person as a participant, dealings in connection with the following employees' share schemes:
 - (i) an HM Revenue and Customs approved SAYE option scheme or share incentive plan, under which participation is extended on similar terms to all or most employees of the participating companies in that scheme;
 - (ii) a scheme on similar terms to a HM Revenue and Customs approved SAYE option scheme or share incentive plan, under which participation is extended to all or most employees of the participating companies in that scheme;
- (j) the cancellation or surrender of an option under an employees' share scheme;
- (k) transfers of the Rio Tinto securities by an independent trustee of an employees' share scheme to a beneficiary who is not a restricted person;
- (l) transfers of Rio Tinto securities already held by means of a matched sale and purchase into a saving scheme or into a pension scheme in which the restricted person is a participant or beneficiary;
- (m) an investment by a restricted person in a scheme or arrangement where the assets of the scheme (other than a scheme investing only in the Rio Tinto securities) or arrangement are invested at the discretion of a third party;
- (n) a dealing by a restricted person in the units of an authorised unit trust or in shares in an open-ended investment company; and
- (o) bona fide gifts to a restricted person by a third party.

Dealings not subject to the provisions of these Rules may, however, be subject to insider trading legislation.

Dealing by restricted persons

3. A restricted person must not deal in any Rio Tinto securities without obtaining clearance to deal in advance in accordance with paragraph 4 of these Rules.

Clearance to deal

4. The persons listed in the table below must not deal in any Rio Tinto securities without first submitting a Form A: Notice of Intention to Deal and receiving clearance to deal as follows:

Dealing by:	Clearance to deal provided by:
Chairman	Senior Independent director*
Chief Executive	Chairman**
Director/Company Secretary	Chairman or Chief executive**
Other PDMR	Chief executive or Company Secretary
Other restricted person	Company Secretary or his nominee

** If not available, the chief executive or a committee of the board or another officer of Rio Tinto as nominated by the senior independent director for the purpose of providing clearance to deal in Rio Tinto securities may provide clearance.*

*** If not available, the senior independent director or a committee of the board or another officer of Rio Tinto as nominated by the Chairman for the purpose of providing clearance to deal in Rio Tinto securities may provide clearance.*

5. A written response to a request for clearance to deal must be given to the relevant restricted person within five business days of the request being made. The response may be communicated electronically, including by email.
6. The company must maintain a record of the response to any dealing request made by a restricted person and of any clearance given. A copy of the response and clearance (if any) must be given to the restricted person concerned.
7. A restricted person who is given clearance to deal in accordance with paragraph 4 must deal as soon as possible and in any event within two business days of clearance being received and must submit a Form B: Notification of Dealing to the relevant company secretary as soon as the transaction has taken place and no later than five days after the transaction has taken place.

Circumstances for refusal

8. (a) A restricted person must not be given clearance to deal in any Rio Tinto securities unless the restricted person has confirmed as part of the request for clearance under paragraph 4 of these Rules that he is not in possession of, and/or does not have access to, any inside information.
- (b) A PDMR must not be given clearance to deal in any Rio Tinto securities:
- (i) during a prohibited period; or
- (ii) on considerations of a short term nature. An investment with a maturity of one year or less will always be considered to be of a short term nature.
- (c) An employee insider who is advised that his name has been placed on a project insider list maintained by the Company Secretary of Rio Tinto plc must not be given clearance to deal in any Rio Tinto securities until such time as he no longer has access to inside information.

Prohibition on Hedging

9. A restricted person must not engage in hedging arrangements, deal in derivatives or enter into other arrangements which limit the economic risk related to Rio Tinto securities (including, for example, the use of put and call options, contracts for differences and other contracts intended to secure a profit or avoid a loss based on fluctuations in the price of Rio Tinto securities). This prohibition includes engaging in hedging or other arrangements which limit the economic risk in connection with unvested securities issued or otherwise allocated pursuant to any employee or director option or share plan, or Rio Tinto securities that have vested but remain subject to a holding period.

Dealings permitted during a prohibited period

Dealing in exceptional circumstances

10. A restricted person, who is not in possession of inside information in relation to the company, may be given clearance to deal if he is in severe financial difficulty or there are other exceptional circumstances. Clearance may be given for such a person to sell (but not purchase) Rio Tinto securities when he would otherwise be prohibited by these Rules from doing so. The determination of whether the person in question is in severe financial difficulty or whether there are other exceptional circumstances can only be made by the director designated for this purpose. .
11. A person may be in severe financial difficulty if he has a pressing financial commitment that cannot be satisfied otherwise than by selling the relevant Rio Tinto securities. A liability of such a person to pay tax would not normally constitute severe financial difficulty unless the person has no other means of satisfying the liability. A circumstance will be considered exceptional if the person in question is required by a court order to transfer or sell the Rio Tinto securities or there is some other overriding legal requirement for him to do so.
12. The UK Financial Services Authority should be consulted at an early stage regarding any application by a restricted person to deal in exceptional circumstances.

Awards of securities and options

13. The grant of options by the board of directors under an employees' share scheme to individuals who are not restricted persons may be permitted during a prohibited period if such grant could not reasonably be made at another time and failure to make the grant would be likely to indicate that the company was in a prohibited period.
14. The award by the company of securities, the grant of options and the grant of rights (or other interests) to acquire Rio Tinto securities to restricted persons is permitted in a prohibited period if:
 - (a) the award or grant is made under the terms of an employees' share scheme and the scheme was not introduced or amended during the relevant prohibited period; and

- (b) either:
 - (i) the terms of such employees' share scheme set out the timing of the award or grant and such terms have either previously been approved by shareholders or summarised or described in a document sent to shareholders, or
 - (ii) the timing of the award or grant is in accordance with the timing of previous awards or grants under the scheme; and
- (c) the terms of the employees' share scheme set out the amount or value of the award or grant or the basis on which the amount or value of the of the award or grant is calculated and do not allow the exercise of discretion; and
- (d) the failure to make the award or grant would be likely to indicate that the company is in a prohibited period.

Exercise of options

- 15. Where the company has been in an exceptionally long prohibited period or the company has had a number of consecutive prohibited periods, clearance may be given to allow the exercise of an option or right under an employees' share scheme, or the conversion of a convertible security, where the final date for the exercise of such option or right, or conversion of such security, falls during a prohibited period and the restricted person could not reasonably have been expected to exercise it at a time when he was free to deal.
- 16. Where the exercise or conversion is permitted pursuant to paragraph 15, clearance may not be given for the sale of the Rio Tinto securities acquired pursuant to such exercise or conversion including the sale of sufficient Rio Tinto securities to fund the costs of the exercise or conversion and/or any tax liability arising from the exercise or conversion unless a binding undertaking to do so was entered into when the company was not in a prohibited period.

Saving schemes

- 17. A restricted person may enter into a scheme under which only the Rio Tinto securities are purchased by or on behalf of the person pursuant to a regular standing order or direct debit or by regular deduction from the person's salary or fees, or where such securities are acquired by way of a standing election to re-invest dividends or other distributions received, or are acquired as part payment of the person's remuneration without regard to the provisions of these Rules , if the following provisions are complied with:
 - (a) the restricted person does not enter into the scheme during a prohibited period, unless the scheme involves the part payment of remuneration in the form of Rio Tinto securities and is entered into upon the commencement of the person's employment or in the case of a non executive director his appointment to the board;

- (b) the purchase of the Rio Tinto securities is not carried out under the scheme during a prohibited period, unless the restricted person entered into the scheme at a time when the company was not in a prohibited period and under the terms of the scheme the purchase of Rio Tinto securities (which may include the first purchase under the scheme) is carried out at a fixed point in time which falls in a prohibited period;
- (c) the restricted person does not cancel or vary the terms of his participation, or carry out sales of Rio Tinto securities within the scheme during a prohibited period; and
- (d) before entering into the scheme, cancelling the scheme or varying the terms of his participation or carrying out sales of the Rio Tinto securities within the scheme, the restricted person obtains clearance in accordance with paragraph 4.

Acting as a trustee

- 18. Where a restricted person is acting as a trustee, dealing in the Rio Tinto securities by that trust is permitted during a prohibited period where:
 - (a) the restricted person is not a beneficiary of the trust; and
 - (b) the decision to deal is taken by the other trustees or by investment managers on behalf of the trustees independently of the restricted person.
- 19. The other trustees or investment managers acting on behalf of the trustees can be assumed to have acted independently where the decision to deal:
 - (a) was taken without consultation with, or other involvement of, the restricted person; or
 - (b) was delegated to a committee of which the restricted person is not a member.

Dealing by connected persons and investment managers

- 20. A PDMR must take reasonable steps to prevent any dealings by or on behalf of any connected person of his in any Rio Tinto securities on considerations of a short term nature.
- 21. A PDMR must seek to prohibit any dealings in the Rio Tinto securities during a close period:
 - (a) by or on behalf of any connected person of his; or
 - (b) by an investment manager on his behalf or on behalf of any person connected with him where either he or any person connected has funds under management with that investment fund manager, whether or not discretionary (save as provided by paragraphs 18 and 19).

22. A PDMR must advise all of his connected persons and investment managers acting on his behalf:
- a) of the name of the listed company within which he is a restricted person;
 - b) of the close periods during which they cannot deal in the Rio Tinto securities;
 - c) that they must advise the listed company immediately after they have dealt in Rio Tinto securities; and
 - d) of the nature of the arrangements with respect to Rio Tinto securities issued or allocated as part of the KMP's remuneration that are prohibited (as described in paragraph 9) and seek to prohibit his connected persons from entering into such arrangements.

Dealing under a trading plan

23. A non executive director of Rio Tinto who is not resident in Australia may deal in securities of Rio Tinto plc pursuant to a trading plan if clearance has first been given in accordance with paragraph 4 of these Rules to the director entering into the plan and to any amendment to the plan. A director must not cancel a trading plan unless clearance has first been given in accordance with paragraph 4 of these Rules for its cancellation.
24. A non executive director of Rio Tinto must not enter into a trading plan or amend a trading plan during a prohibited period and clearance under paragraph 4 of these Rules must not be given during a prohibited period to the entering into, or amendment of, a trading plan. Clearance under paragraph 4 of these Rules may be given during a prohibited period to the cancellation of a trading plan but only in the exceptional circumstances referred to in paragraphs 10 and 11 of these Rules.
25. A non executive director of Rio Tinto may deal in securities of Rio Tinto plc during a prohibited period pursuant to a trading plan if:
- (a) the trading plan was entered into before the prohibited period;
 - (b) clearance under paragraph 4 of these Rules has been given to the director entering into the trading plan and to any amendment to the trading plan before the prohibited period; and
 - (c) the trading plan does not permit the director to exercise any influence or discretion over how, when, or whether to effect dealings.
26. Where a transaction occurs in accordance with a trading plan, the director must notify Rio Tinto at the same time as he makes the notification required by the UK Financial Services Authority's Disclosure and Transparency Rules of:
- (a) the fact that the transaction occurred in accordance with a trading plan; and
 - (b) the date on which the relevant trading plan was entered into.