

Shareholder information for capital gains tax on the sale of Rights

Information for shareholders who are tax resident in the UK and, as a result of the Rio Tinto plc Rights Issue 2009, either took up some of their Rights through a cashless take-up or elected to sell all their Rights to New Rio Tinto plc shares

January 2010

This advice does not constitute financial assistance

Following the recent Rio Tinto plc Rights Issue a number of shareholders have contacted the Company asking how to apportion the cost of their shares in order to calculate potential UK Capital Gains Tax ("CGT") liabilities on a sale of Rights.

Rio Tinto has not sought to discuss or agree with HMRC the apportionment of the cost of Rio Tinto plc shares that can be used by all shareholders for the purposes of shareholders' CGT computations on the sale of Rights. Our interpretation of the relevant tax rules is that the cost attributable to the Rights will vary according to the market value of Rio Tinto plc shares on the date of the transaction. In the absence of any separate agreement with HMRC, there is no single cost that will apply to all shareholders because not all shareholders will have entered into the transaction on the same date.

The relevant tax rules prescribe a formula for determining the proportion of the base cost that is deductible in computing the gain on the sale of Rights in this situation, which is:

$\frac{a}{a+b}$

(a+b)

Where:

a = the proceeds from the sale of Rights; and

b = the market value of your shareholding remaining after the sale.

This formula is published in guidance on HMRC's website. HMRC will usually provide assistance on the telephone, at the office that deals with your tax affairs, and should be contacted for any further questions about the operation of these rules.

The information that you will need in order to apply the above formula can be obtained from the Advice Note provided to you by Computershare. This information includes the value obtained on the sale of Rights and the date on which your Rights were sold (the "Bargain Date"). By clicking on this link you will be able to find the average share price on the date your Rights were sold. You will also need to know the total number of Rio Tinto plc shares that you continue to hold after the sale. It should be

noted that, if you took up some of your Rights through a cashless take-up, the shares that were allotted to you in the Rights Issue were allotted before your remaining Rights were sold, and therefore these new shares form part of your continuing shareholding at the time of sale.

If you cannot find your Advice Note, a replacement can be obtained from Computershare by writing to them quoting your Shareholder Reference number.

Rio Tinto cannot advise individual shareholders on their tax or financial position - you should not interpret this document as legal, tax or financial advice. If you are in any doubt as to the action you should take, you should seek advice from an independent financial adviser.