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Press release

The Boards of Rio Tinto plc and Rio Tinto Limited announce fully underwritten Rights Issues to raise gross proceeds of approximately US$15.2 billion

5 June 2009

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Agreed terms with BHP Billiton for a 50:50 joint venture in Western Australian iron ore production

Previously announced Chinalco transaction terminated but Rio Tinto sees potential for future collaboration

Highlights of the Rights Issues

Rights Issues consisting of 21 New Rio Tinto plc Shares offered for every 40 existing shares at 1,400 pence per share and 21 New Rio Tinto Limited Shares offered for every 40 existing shares at A$28.29 per share to raise approximately US$15.2 billion of gross proceeds, comprising approximately US$11.8 billion for Rio Tinto plc and approximately US$3.4 billion for Rio Tinto Limited.

- The Rights Issues will enable the Group to meet its Alcan facility debt repayment obligations fully in 2009 and substantially in 2010.

- As a result net debt will be reduced to approximately US$23.2 billion; exceeding the commitment made in December 2008 to reduce net debt by US$10 billion by the end of 2009.

- The Rights Issues and debt repayments will strengthen the Group's financial position in a period of continuing uncertainty and allow it to take advantage of future value-creating opportunities.

- The subscription prices represent discounts of approximately 38.2% and 47.2% to the theoretical ex-rights prices (TERPs) of 2,265.6 pence and A$53.61 per New Rio Tinto plc Share and Rio Tinto Limited Share respectively; and discounts of approximately 48.5% and 57.7% to the Closing Prices of Rio Tinto plc and Rio Tinto Limited on 4 June 2009; respectively.

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Agreement with BHP Billiton

In addition, Rio Tinto and BHP Billiton today announced that they have signed a non-binding agreement to establish a production joint venture encompassing the entirety of both companies' Western Australian iron ore assets. The joint venture will include all current and future Western Australian iron ore assets and liabilities and will be 50:50 owned by Rio Tinto and BHP Billiton. In order to equalise the contribution value of the two companies, BHP Billiton will pay Rio Tinto US$5.8 billion for equity-type interests at financial closing. The establishment of the joint venture will be subject to execution of binding agreements as well as regulatory and shareholder approvals. The agreement signed today includes binding obligations on both parties regarding exclusivity and payment, in certain circumstances, of a break fee if the transaction does not complete.

Further details of the proposed joint venture with BHP Billiton are set out in a Rio Tinto press release dated today which can be found on Rio Tinto's website.

Update on Chinalco Transaction

The transaction announced and recommended by the Boards will no longer be pursued. Rio Tinto and Chinalco have discussed potential amendments to the transaction to address the improved financial markets; as well as shareholder and wider stakeholder feedback. Despite making good progress, a revised version of the original agreement has not been realised and those discussions have now ceased. As a result the Boards have withdrawn their recommendations for the original transaction and Rio Tinto has terminated the agreement. Rio Tinto will pay Chinalco the agreed break fee of US$195 million.

Rio Tinto remains interested in potential future collaboration with Chinalco and continues to recognise the importance of China and building strong relationships there.

Jan du Plessis, Chairman of Rio Tinto said,

"Since we announced the Chinalco transaction in early February, financial markets have seen a significant improvement. This has had two consequences – firstly, the financial terms of the Chinalco transaction became markedly less valuable and, secondly our ability to raise a level of equity appropriate for our needs on attractive terms has improved very considerably.

"In parallel, we had the opportunity to engage with BHP Billiton about the possibility of establishing a highly attractive Western Australian iron ore production joint venture that would deliver substantial value to shareholders.

"Given these new circumstances, and coupled with the extensive feedback we have had from shareholders and others, the Boards have concluded that the formation of an iron ore production joint venture in Western Australia with BHP Billiton together with the Rights Issues deliver the best solution. This course of action will assist us to address Rio Tinto's short- and medium-term debt repayment obligations whilst enabling us to retain strategic flexibility, and to preserve and grow long-term shareholder value.

"Over recent weeks we were also endeavouring to achieve a new agreement with Chinalco. We were disappointed that we were unable to find a solution acceptable to both sides, but we believe we have established a good relationship with Chinalco and we remain very positive about the potential for future collaboration."

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Tom Albanese, Chief Executive of Rio Tinto said,

"At the end of 2008, the Group announced a debt reduction programme aimed at improving its financial position and the Rights Issues, along with the initiatives we announced at that time are designed to enable the Group to improve its financial position, enhance liquidity, support our goal of restoring our long-term credit rating to single A and increase our strategic flexibility. In addition, in the first quarter of 2009, we also announced agreed divestments totalling US$2.5 billion and in April we took advantage of the opening of the bond markets to raise US$3.5 billion.

"We believe that the long term demand outlook for our products remains strong based on fundamental economic and demographic trends. However, the global economic downturn and the difficult trading conditions experienced, particularly in iron ore and aluminium, have adversely impacted our near-term cash flows and broader financial position.
By strengthening our balance sheet through the Rights Issues and other initiatives, the Boards believe we will be better positioned to respond rapidly to an improvement in market conditions with the opportunity to use future cash flows to invest in growth projects."

Rights Issues

Due to the Group's dual-listed structure, the capital raisings are being structured as two inter-conditional Rights Issues, with Qualifying Rio Tinto plc and Qualifying Rio Tinto Ltd shareholders being offered 21 New Rio Tinto plc Shares or New Rio Tinto Limited Shares for every 40 Existing Rio Tinto plc Shares or Existing Rio Tinto Limited Shares held, as applicable. The Rights Issues are fully underwritten[1], subject to customary terms and conditions, and are expected to raise gross proceeds of approximately US$15.2 billion, with approximately US$11.8 billion expected to be raised by the Rio Tinto plc Rights Issue and approximately US$3.4 billion by the Rio Tinto Ltd Rights Issue.

The subscription prices of 1,400 pence per New Rio Tinto plc Share and A$28.29 per New Rio Tinto Limited Share are based on an equivalent price per New Rio Tinto plc Share and per New Rio Tinto Limited Share of US$22.94 converted into pound sterling and Australian dollars at the exchange rates published in the London edition of the *Financial Times* on 4 June 2009. The subscription prices represent a discount of approximately 38.2% and 47.2% to the theoretical ex-rights prices (TERPs) of 2,265.6 pence and A$53.61 per Rio Tinto plc Share and Rio Tinto Limited Share respectively, and a discount of approximately 48.5% and 57.7% to the Closing Prices on 4 June 2009 of Rio Tinto plc and Rio Tinto Limited respectively.

The Rights Issues are being undertaken using a traditional structure with a rights trading period.

The Boards intend to apply the net proceeds in the mandatory prepayment of the tranches of the Alcan credit facilities due in October 2009 (as at 30 April 2009, US$7.15 billion was drawn under this tranche) and in October 2010 (as at 30 April 2009, US$8.1billion was drawn under this tranche).

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[1] The rights attributable to the cross-holding in Rio Tinto Limited are expected to lapse without being exercised and are not underwritten and so are not taken into account in calculating gross proceeds.

Dividends

In light of the current uncertainties in relation to the macroeconomic outlook, the Boards have decided that it would not be appropriate to pay an interim dividend for the current financial year. It will be our intention to pay a final dividend for the current financial year subject to satisfactory trading results. The Group expects that the total cash dividend payment for the 2010 financial year will be at least equal to that paid for 2008 (US$1.75 billion). The Group remains committed to a progressive dividend policy over the longer-term.

Credit Suisse Securities (Europe) Limited, J.P. Morgan Cazenove Limited and Macquarie Capital (Europe) Limited are acting as joint global co-ordinators.

Credit Suisse Securities (Europe) Limited and J.P. Morgan Cazenove Limited are acting as joint sponsors and corporate brokers with respect to the Rights Issue for Rio Tinto plc. The Rights Issue for Rio Tinto plc is fully underwritten by Credit Suisse Securities (Europe) Limited, J.P. Morgan Securities Ltd. on behalf of its affiliate J.P. Morgan Cazenove, Deutsche Bank AG, London branch and Morgan Stanley & Co International plc as joint bookrunners and Macquarie Capital (Europe) Limited, RBS Hoare Govett Limited and Société Générale as co-bookrunners.

The public Rights Issue for Rio Tinto Limited is fully underwritten by Credit Suisse Securities (Australia) Limited, J.P. Morgan Australia Limited, Macquarie Capital Advisers Limited and RBS Equity Capital Markets (Australia) Limited as joint bookrunners and Deutsche Bank AG, Sydney branch, Morgan Stanley Australia Securities Limited and Société Générale as co-bookrunners

A prospectus relating to the Rights Issues, prepared in compliance with UK regulatory requirements will be available on Rio Tinto's website, www.riotinto.com in due course and will contain further details and the full terms and conditions of the Rights Issues. In Australia, the Rio Tinto Limited Rights Issue will be made under provisions of the Corporations Act which allow rights issues to be made without a prospectus. An Australian offer document, which will contain the full terms and conditions of the Rio Tinto Limited Rights Issue, will also be made available on Rio Tinto's website. Neither the Prospectus nor the Offer Document will constitute a prospectus for the purposes of the Corporations Act.

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Expected timetable and key dates

Each of the times and dates in the tables below is indicative only and may be subject to change:

Rio Tinto plc:

Rio Tinto plc Record Date for entitlement under the Rio Tinto plc Rights Issue for Qualifying CREST Rio Tinto plc Shareholders and Qualifying Non-CREST Rio Tinto plc Shareholders	close of business on 15 June 2009
Dispatch of Rio Tinto plc Provisional Allotment Letters (to Qualifying Non-CREST Rio Tinto plc Shareholders only)	16 June 2009
Start of subscription period	17 June 2009
Dealings in New Rio Tinto plc Shares, nil paid, commence on the London Stock Exchange	8.00 a.m. on 17 June 2009
Existing Rio Tinto plc Shares marked “ex” by the London Stock Exchange	8.00 a.m. on 17 June 2009
Latest time and date for acceptance, payment in full and registration of renunciation of Rio Tinto plc Provisional Allotment Letters	11.00 a.m. on 1 July 2009
Dealings in New Rio Tinto plc Shares, fully paid, commence on the London Stock Exchange	by 8.00 a.m. on 2 July 2009

Notes:

(1) Subject to certain restrictions relating to Rio Tinto plc Shareholders with registered addresses outside the UK.

(2) References to times in this timetable are to London time unless otherwise stated.

Rio Tinto Limited:

Rio Tinto Limited Mailing Record Date for first posting of Rio Tinto Limited Entitlement and Acceptance Forms and related materials	7.00 p.m. on 11 June 2009
Dispatch of the Rio Tinto Limited Entitlement and Acceptance Forms and related materials to Rio Tinto Limited Shareholders as at the Rio Tinto Limited Mailing Record Date[(1)]	16 June 2009
Existing Rio Tinto Limited Shares quoted ex-rights	17 June 2009
Rio Tinto Limited Rights trading on ASX commences	17 June 2009
Rio Tinto Limited Record Date for entitlements under Rio Tinto Limited Rights Issue (subject to ASTC Settlement Rules)	22 June 2009
Rio Tinto Limited Rights trading on ASX ends	24 June 2009
Deferred settlement trading in New Rio Tinto Limited Shares commences	25 June 2009
Second posting of Rio Tinto Limited Entitlement and Acceptance Forms and (where applicable) the Australian Offer Document to Qualifying Rio Tinto Limited Shareholders (where required) completed[(1)]	26 June 2009
Closing time for renunciations, acceptances and payment in full of Rio Tinto Limited Rights	5.00 p.m. on 1 July 2009
Placement by the Underwriters of New Rio Tinto Limited Shares not taken up, or not able to be taken up, under the Rio Tinto Limited Rights Issue	3 July 2009
Issue of New Rio Tinto Limited Shares and dispatch of confirmation statements	9 July 2009
Last day of deferred settlement trading in New Rio Tinto Limited Shares	9 July 2009

Dispatch of payments (if any) in respect of the placement by the Underwriters of relevant New Rio Tinto Limited Shares	10 July 2009
Normal T+3 settlement trading in New Rio Tinto Limited Shares commences	10 July 2009

Notes:
(1) Subject to certain restrictions relating to Rio Tinto Limited Shareholders with registered addresses outside Australia and New Zealand.
(2) References to times in this timetable are to Melbourne time unless otherwise stated.

1. Full timetables of events in connection with the Rights Issues will be set out in the UK Prospectus and the Australian offer document. Only the key dates in relation to the Rights Issues are set out here. If any of the above times and/or dates in relation to the Rights Issues change, the revised times and/or dates will be included in the UK Prospectus and the Australian offer document or notified to Rio Tinto plc Shareholders by announcement through the Regulatory News Service of the London Stock Exchange and to Rio Tinto Ltd Shareholders by announcement through the Australian Securities Exchange.
2. If you hold your shares through a nominee, depending on the arrangements made on
your behalf by that nominee, the latest time and date for giving instructions to that nominee may be set earlier.
3. Rio Tinto Limited has obtained a waiver from the ASX allowing the timetable for the Rio Tinto Limited Rights Issue to be shorter than that ordinarily required under the ASX Listing Rules. In particular, the waiver allows the offer period in respect of the Rio Tinto Limited Rights Issue to close at 5.00 p.m. Melbourne time on the seventh business day following the Rio Tinto Limited Record Date.

Under the standard ASX timetable for a renounceable rights issue, the offeror would only dispatch offer documents and entitlement and acceptance forms to those shareholders entitled to participate in the rights issue following the record date. However, if Rio Tinto Limited were to only dispatch those documents after the Rio Tinto Limited Record Date, Qualifying Rio Tinto Limited Shareholders may not receive the documents in sufficient time to enable them to take up their entitlements prior to the close of the offer period.

In order to address this, Rio Tinto Limited will send offer documents and entitlement and acceptance forms to relevant Rio Tinto Limited Shareholders in two rounds, the first following the Rio Tinto Limited Mailing Record Date and the second following the actual Rio Tinto Limited Record Date, as described below.

Rio Tinto Limited shareholder as at the Rio Tinto Limited Mailing Record Date (subject to certain restrictions relating to shareholders with registered addresses outside Australia and New Zealand) will be sent by post on or about 16 June 2009 an entitlement and acceptance form giving them provisional details of their entitlement under the Rio Tinto Limited Rights Issue, based on their holding of Rio Tinto Limited Shares as at the Rio Tinto Limited Mailing Record Date. If their holding of Rio Tinto Limited Shares does not change before the Rio Tinto Limited Record Date, such shareholders may take up their entitlement as shown in that form.

Persons that acquire Rio Tinto Limited shares after the Rio Tinto Limited Mailing Date should note that they will have a limited period following receipt of relevant offer documents and entitlement and acceptance forms to take up their entitlements, and it is possible they may not receive these documents in sufficient time to enable them to trade or take up your Rio Tinto Limited Rights.

Qualifying Rio Tinto Limited Shareholders who did not hold Rio Tinto Limited Shares on the Rio Tinto Limited Mailing Record Date, or those shareholders whose holding of Rio Tinto Limited Shares changes following the Rio Tinto Limited Mailing Record Date will (subject to certain restrictions relating to shareholders with registered addresses outside Australia and New Zealand) be sent by post on or about 26 June 2009 a final entitlement and acceptance form giving details of their Rio Tinto Limited Rights based on their holding of Rio Tinto Limited Shares as at the actual Rio Tinto Limited Record Date.

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5 June 2009

Proposed Rights Issues by Rio Tinto plc and Rio Tinto Limited and update on transaction with Chinalco

Letter from the Chairman of Rio Tinto

Dear shareholder

1 Introduction

During the first nine months of 2008, the Rio Tinto Group delivered strong financial performance, underpinned by favourable demand and pricing conditions. These conditions came to an abrupt halt in October 2008, as very significant global financial turbulence led to sharp declines in the rate of global economic growth, global demand for commodities and in the price of most of the Group's principal products. In response to these very significant deteriorating conditions, the Group acted swiftly to reduce costs and conserve cash, and to align production with reduced market demand. For the year ended 31 December 2008, the Rio Tinto Group achieved underlying earnings of US$10.3 billion, up 38 per cent., net earnings of US$3.7 billion, down 50 per cent. and cash flows from operations of US$20.7 billion, up 64 per cent., in each case compared with the previous year. As at 31 December 2008, the Group had net debt of US$38.7 billion (2007: US$45.2 billion).

The global economy remained weak during the first quarter of 2009 and continues to be weak, particularly in the major OECD economies, which have reported falling demand for most metals. In China, which is the key growth market for the Group's products, there were some signs of economic recovery during the first quarter of 2009, and higher Chinese imports of iron ore and copper during this quarter helped partially to offset weak demand conditions elsewhere.

Global attributable iron ore production in the first quarter of 2009 fell 15 per cent. compared to the first quarter of 2008, reflecting, in part, the impact of prolonged heavy rain in the Pilbara region of Western Australia and reduced customer demand. In the same period, global attributable aluminium production declined six per cent. compared with the first quarter of 2008 following production cutbacks in response to the sharp fall in demand. Global attributable mined copper production in the first quarter of 2009 rose nine per cent. compared with the first quarter of 2008, as some operations benefited from improving grades.

The global economic downturn and the difficult trading conditions experienced, particularly in iron ore and aluminium, have adversely impacted the Group's results, in particular near-term cash flows and its broader financial position. For the three months ended 31 March 2009, the Rio Tinto Group achieved Underlying Earnings of US$1.8 billion, down 7 per cent., net earnings of US$1.6 billion, down 45 per cent. and cash flows from operations of US$3.4 billion, down 3 per cent., in each case compared with the same period in 2008. The figures for Underlying Earnings and cash flow from operations include the US$797 million profit on the recent sale of Rio Tinto's undeveloped potash assets. As at 31 March 2009, the Group had net debt of US$37.9 billion.

Despite the challenge of current markets, the Group has had, and continues to have, a long-term, consistent and successful strategy with the goal of maximising shareholder value through excellence in mining and operating large scale, long life, low cost assets with an emphasis on quality. The Group draws strength from its product diversity and broad geographic spread of operations: it is a global industry leader in the aluminium industry as a result of the acquisition of Alcan, it was the second largest producer of iron ore in 2008, and it has interests in several of the world's major copper mines. The Group continues to pursue these core strategic themes, despite the significant deterioration in the global economic environment, since the Boards believe that these strategic themes will continue to deliver long-term shareholder value and help position the Group to benefit from its high quality assets when the global economy recovers.

The Boards have given careful consideration to the appropriate level of net debt for the Group, the effects of market conditions on the value achievable for the Group's assets intended for divestment and to the Group's short- to medium-term debt repayment obligations. Further to these considerations, the Boards believe it is in the best interests of the Rio Tinto plc Shareholders as a whole and the Rio Tinto Limited Shareholders as a whole to seek additional capital from the Group's Public Shareholders in fully underwritten Rights Issues of each of Rio Tinto plc and Rio Tinto Limited.

2 Update on the transaction with Chinalco, BHP Billiton iron ore joint venture and background to the Rights Issues

Termination of Chinalco transaction

On 12 February 2009, Rio Tinto announced the formation of a strategic partnership with Chinalco. Under the terms of the Co-operation and Implementation Agreement, Chinalco agreed to invest a total of up to US$19.5 billion in cash and commitments in Rio Tinto as follows:

- the issue of subordinated convertible bonds to Chinalco for US$7.2 billion;
- investments by Chinalco of up to US$11.8 billion in cash in exchange for interests in strategic alliances in certain of Rio Tinto's aluminium, copper and iron ore businesses, and a US$500 million commitment towards Chinalco's share of purchase obligations for interests in assets contributed by Rio Tinto to a joint development fund; and
- the establishment of other strategic alliances to govern the relationship between Rio Tinto and Chinalco.

The transaction announced and recommended by the Boards will now no longer be pursued. Rio Tinto and Chinalco have discussed potential amendments to the transaction to address the improved financial markets as well as shareholder and wider stakeholder feedback. Despite making good progress, a revised version of the original agreement has not been realised and those discussions have now ceased. As a result the Boards have withdrawn their recommendations for the original transaction and Rio Tinto has terminated the agreement. Rio Tinto will pay Chinalco the agreed break fee of US$195 million.

Rio Tinto remains interested in potential future collaboration with Chinalco and continues to recognise the importance of China and building strong relationships there.

BHP Billiton iron ore joint venture

In addition, Rio Tinto and BHP Billiton today announced that they have signed a non-binding agreement to establish a production joint venture encompassing the entirety of both companies' Western Australian iron ore assets. The joint venture will include all current and future Western Australian iron ore assets and liabilities and will be 50:50 owned by Rio Tinto and BHP Billition. In order to equalise the contribution value of the two companies, BHP Billiton will pay Rio Tinto US$5.8 billion for equity-type interests at financial closing. The establishment of the joint venture will be subject to execution of binding agreements as well as regulatory and shareholder approvals. The agreement signed today includes binding obligations on both parties regarding exclusivity and payment, in certain circumstances, of a break fee if the transaction does not complete.

Further details of the proposed joint venture with BHP Billiton are set out in a Rio Tinto press release dated today which can be found on Rio Tinto's website.

Rights Issues

In the current circumstances and after careful deliberation, the Boards are of the view that the Rights Issues represent the best opportunity for the Group to retain strategic flexibility and to preserve and grow long-term shareholder value. The Boards believe that the Rights Issues offer a number of benefits:

- they will reduce the Group's overall debt levels enabling it to meet its debt repayment obligations under the Alcan credit facilities in 2009 and 2010 and allowing the Group greater overall flexibility to implement its asset divestment programme. The net proceeds will enable the prepayment of its debt obligations under the October 2009 tranche and the substantial prepayment of the October 2010 tranche of the Alcan credit facilities;
- they will strengthen the Group's financial position, supporting the Group's efforts to restore its long-term credit rating to a single A rating. In December 2008, the Group's long-term credit ratings were downgraded (from A3 to Baa1 by Moody's and from BBB+ to BBB by S&P) and placed on a negative outlook by Moody's and S&P. Following the announcement of the strategic alliance with Chinalco, Moody's placed the Group under a review for possible downgrade at the same time affirming the Prime-2 short-term ratings. S&P reaffirmed the BBB rating. Achieving an improved credit rating would be expected to enhance the Group's ability to access the credit markets on more favourable terms, should it choose to do so; and
- they will allow the Group the flexibility to use its free cash flows to take advantage of potential value-creating opportunities, such as selective expansion or investment, so as to be well positioned for a recovery in its key markets and to take advantage of the positive long-term demand outlook for its products and their prices.

The Right Issues will supplement the range of debt reduction measures announced on 10 December 2008 including reductions in capital and operating expenditure and an ongoing programme of divestments, further details of which are discussed in paragraph 6 below. Together, these measures are designed to enable the Group to improve its financial position, enhance liquidity and increase its strategic flexibility.

3 Capital raising by way of Rights Issues

The Boards therefore announced today their intention to strengthen the Group's balance sheet by way of 21 for 40 Rights Issues at equivalent subscription prices of 1,400 pence per New Rio Tinto plc Share and A$28.29 per New Rio Tinto Limited Share based on an equivalent price per New Rio Tinto plc Share and per New Rio Tinto Limited Share of US$22.94 converted into pounds sterling and Australian dollars at the exchange rates published in the London edition of the Financial Times on 4 June 2009. The Rights Issues are expected to raise gross proceeds of approximately US$15.2 billion, representing approximately US$11.8 billion pursuant to the Rio Tinto plc Rights Issue and approximately US$3.4 billion pursuant to the Rio Tinto Limited Rights Issue.

The Rights Issues will be structured so that Qualifying Shareholders will be entitled to participate on a pro rata basis. Subject to exceptions arising from overseas securities law restrictions, it gives all Public Shareholders the opportunity to acquire new shares in proportion to their existing holding at a discount to the market price on 4 June 2009, or to realise any value from the sale or renouncement of their rights.

The offer of the New Shares to Public Shareholders under the Rights Issues is being fully underwritten.

4 Use of proceeds

The Rights Issues are expected to raise gross proceeds of approximately US$15.2 billion. The Boards intend to apply the net proceeds in the mandatory prepayment of the tranche of the Alcan credit facilities due in October 2009 (as at 30 April 2009, US$7.15 billion was drawn under this tranche) and the substantial prepayment of the tranche due in October 2010 (as at 30 April 2009 of this document, US$8.1billion was drawn under this tranche).

The Boards expect that the Rights Issues will make a positive contribution to net income in the year to 31 December 2009 as a result of lower interest payments arising from lower average levels of financial indebtedness. However, the Boards expect that the increased number of shares in issue following the Rights Issues will have a negative effect on Rio Tinto's earnings per share for the same period.

5 Group strategy

Rio Tinto is one of the world's leading diversified miners, specialising in the finding, mining and processing of metal and mineral resources across the globe. Through mergers and acquisitions and organic expansion over many decades, the Group has established a portfolio of high quality assets in its three main product group areas of aluminium, copper and iron ore.

In aluminium, the Group is an industry leader, owning one of the world's largest bauxite resources in Queensland, Australia. This orebody is complemented by the Group's competitive refining facilities and smelters in Australia and Canada. Many of these smelters are powered by low-cost self-generated hydro power and benefit from the Group's leading position in smelter technology.

In copper, the Group has full or partial ownership of several of the world's major copper mines, such as Kennecott Utah Copper in the United States, Escondida in Chile and the Grasberg operation in Indonesia. The Group has also been successful in gaining an interest in some of the next generation of world class copper development opportunities.

In iron ore, the Group was the second largest producer of iron ore on a global basis in 2008, combining a very substantial reserve and resource position with an established and expandable rail and port infrastructure. The Group's iron ore operations in Western Australia have a highly competitive operating cost position and further benefit from a sustainable competitive advantage due to their proximity to the growing Asian markets when compared with producers in other parts of the world.

The Directors believe that the Group is well-positioned for expansion of iron ore production once global economic conditions improve.

Rio Tinto is also a major producer of industrial minerals, thermal and coking coal, uranium and diamonds.

Core objective and long-term strategy

The Group's core objective is to maximise the long-term return to Shareholders by finding, mining and processing metal and mineral resources across the globe.

To deliver this objective the Group follows a long-term strategy that concentrates on:

- the discovery of Tier 1 (large, low cost) ore bodies with the capacity to deliver significant future cash flow;
- the development of Group assets into safe and efficient large scale, long life and low cost operations with a view to ensuring the Group can operate profitably at every stage of the commodity cycle;

- operating in an ethical and socially responsible manner that maintains Rio Tinto's reputation and assists with ongoing access to people, capital and mineral resources; and
- putting long-term sustainable development at the heart of everything the Group does.

Rio Tinto's strategic pillars

To support and deliver its long-term strategy, Rio Tinto structures its activities around the six core strategic pillars below. These pillars are used by each product group and business support group to deliver their medium and short term strategic and operational plans. The application of this framework is designed to ensure that the Group is aligned in the delivery of the long-term strategy.

Health and safety – The Directors believe that all serious incidents and injuries are preventable. Rio Tinto's aim is to create an environment where all employees and contractors have the knowledge, skills and desire to work safely. In 2009 the Group has renewed focus on implementing safety programmes across the Group, with a particular focus on contractor management.

Operational and financial delivery – The mineral and metal extraction industry is cyclical but to deliver the maximum value to shareholders the Group must earn positive financial returns at the lowest points of the economic cycle with stronger returns delivered at times of strong commodity prices. The Group aims to operate the majority of Rio Tinto's assets in the lower half of the cost curve for their respective industries. Rio Tinto seeks to achieve this through the promotion of management excellence, the application of the latest mining technologies, the constant delivery of business improvement programmes and appropriate investment in the assets throughout their lifecycle.

Growth and innovation – The Group's ability to maintain production growth over long periods in line with demand is underpinned by its reserve position in its key commodities. The Directors believe that a consistent commitment to greenfield and brownfield exploration activity will assist to replenish the Group's mineral inventory and create a strong pipeline of future development opportunities. The current weak global market has had a significant impact both on commodity prices and customer demand, leading the Group to re-evaluate and reduce its near-term capital expenditure on certain growth projects. The current focus is to reduce capital spending yet maintain strategic growth options.

People – Rio Tinto's workforce consists of both staff and contractors and their safety is the organisation's priority. The Directors believe that attracting, developing and retaining a skilled and engaged workforce is critical to business performance.

Communities and environment – Rio Tinto has a strong commitment to all aspects of sustainable development. This is an integral part of the way Rio Tinto conducts its business activities.

Customers and markets – By understanding what customers value, the Group seeks to develop offerings to help meet their needs. Each of the Group's business units is competitively positioned in its respective markets as a result of a robust, fact based five-year marketing strategy supported by rigorous tactical execution.

Near-term strategy

The current weak global economic environment has had a significant negative impact on both commodity prices and customer demand, leading the Group to re-evaluate, and reduce, its near-term capital expenditure on growth projects. While the Group expects to complete the previously announced iron ore projects of Brockman 4 and Mesa A in the Pilbara region of Western Australia, the Clermont project in the Australian coal operation, and the Madagascan ilmenite project in 2009, the second phase of the Yarwun alumina refinery expansion, the Diavik and Argyle underground diamond mine expansion projects and the Kestrel project in the Australian coal operation will be advanced at a slower pace than previously announced. In addition other major capital projects, such as the construction of the automated train facilities in Pilbara and the development of the Eagle nickel mine in Michigan, United States, have been deferred until market conditions improve.

As and when global economic conditions improve in the future, the Directors expect that the Group will be a significant beneficiary of such improvement. The Directors believe that the Group is well positioned in commodities where demand over the medium term is expected to grow in line or above increases in global GDP. The Group's focus on higher quality, long life ore bodies, its low cost structure and strong customer base in key growth markets are all expected to be important advantages.

The Directors believe that the long-term demand outlook for the Group's products is strong based on the fundamental economic and demographic trends relating to the industrialisation and urbanisation of the developing world, particularly China. In this context, the Group's growth options are a valuable asset in the longer term.

By strengthening its balance sheet through the Rights Issues and other initiatives, the Boards believe that Rio Tinto will be better positioned to implement its longer term strategy and to respond rapidly to an improvement in market conditions with the opportunity to use future cash flows to invest in growth projects in addition to repaying debt obligations and paying dividends to shareholders. The Boards believe that Rio Tinto will then be well placed to take advantage of the positive long-term demand outlook for its products as economic conditions improve and to continue to position itself as an attractive partner for customers.

6 Trading performance and outlook

Trading outlook

The trading outlook for the balance of 2009 remains uncertain. The key drivers of earnings in the second half of the year are expected to remain the pricing of the Group's key commodities, particularly iron ore, aluminium and copper. While iron ore prices for the 2009/10 contract year have been settled with some important Asian customers (other than Chinese customers), there remains uncertainty in the pricing of spot iron ore, copper and aluminium.

The Group expects to benefit from continued cost reduction in the second half of 2009, as the costs of many of the Group's key inputs are expected to continue to decline. In addition to the Group's cost cutting measures, there may be offsetting impacts from movements in the US dollar, the Euro and the Australian dollar. Unit cost efficiencies may be gained in those operations which are expanding or operating at full capacity, such as the Pilbara iron ore operations, as a result of increased production whilst iron ore prices remain relatively stable whereas unit costs may be adversely affected in those operations which are facing production cutbacks, such as bauxite, alumina, diamonds, iron and titanium.

Global economy

During the third and fourth quarters of 2008 there was a sharp deterioration in global economic conditions that had a significant impact on demand for, and prices of, metals and minerals. The pace and severity of the deterioration has been significant and, as noted above, the short term outlook remains uncertain. While there are some recent initial indications that the economic downturn may be beginning to stabilise, global economic activity is expected to continue to be weak during 2009 and possibly through 2010. Consensus for annual Chinese GDP growth is expected to average approximately 7 to 8 per cent. in 2009, compared to 9 per cent. in 2008, while many OECD economies are expected to continue to contract by approximately 4 per cent. on average on an annual basis. Metals and minerals demand over the second half of 2009 may be positively impacted by the infrastructure components of various fiscal stimulus packages by international governments and a cessation of destocking compared to recent very depressed levels but significant stock and capacity overhangs have developed in several markets which are expected to delay a corresponding price recovery.

Despite the recent downturn, Rio Tinto's long-term positive outlook for commodities and the mining industry has not fundamentally changed. The Directors continue to believe that underlying trends of urbanisation, industrialisation and rapid income growth across the very large population of the Chinese economy, and other emerging countries like India, remain intact and will generate future growth in metals and minerals consumption. However, the return to this trend will depend on a more synchronised recovery in the overall macroeconomic environment, which the Directors believe is unlikely for the next 12 to 18 months.

Prices

In May and June 2009, Rio Tinto announced that its Hamersley Iron subsidiary had reached agreement on the 2009/10 benchmark iron ore price with its Japanese, Korean and Taiwanese customers, for the contract year commencing 1 April 2009 with a 33 per cent. reduction in the Pilbara Blend Fines and Yandicoogina Fines prices and a 44 per cent. reduction in the Pilbara Blend Lump price, in each case compared to the 2008/2009 benchmark prices. However, iron ore contract negotiations are ongoing with other customers, including the Group's Chinese customers. The outcome of those negotiations is uncertain and could have a material impact on the Group's profitability during the 2009/2010 contract period. In addition, the Group expects to continue to sell a significant portion of its iron ore on the spot market at least until the Group has settled the benchmark prices.

The LME copper price averaged 207 cents per lb in May 2009 (April 2009: 199 cents per lb), an increase of 33 per cent. on the first quarter 2009 average and a 41 per cent. decrease compared with the first quarter 2008 average. Chinese imports of copper have recently risen to record levels, offsetting weak demand in other regions and driving down LME inventories. The Directors believe that a substantial portion of the additional imports into China may have been acquired for stockpiling purposes and the replacement of copper scrap and a halt or reversal to this activity may cause a pause in the recovery in prices.

The LME aluminium price averaged 67 cents per lb in May 2009 (April 2009: 64 cents per lb), a 7 per cent. increase on the first quarter 2009 average and a 46 per cent. decrease compared with the first quarter 2008 average. Excess global production led to LME inventories increasing to over 4.2 million tonnes by the end of May compared with 2.3 million tonnes at the start of 2009 and 1.1 million tonnes a year ago. The Directors expect LME pricing to gradually recover as excess capacity amongst higher cost producers is taken offline and demand begins to recover.

Thermal coal contracts for the 2009 fiscal year (annual period commencing 1 April 2009) were settled in the US$70-72 per tonne range, a decrease of approximately 44 per cent. on the record levels of the previous year. Coking coal contracts for the 2009 fiscal year were settled in the US$115-130 per tonne range, a decline of approximately 60 per cent. on the record levels of the 2008/09 fiscal year.

Both prices and sales volumes for diamonds have been severely impacted by the economic downturn. The effect on the rough diamonds market has been exacerbated by the lowering of inventory levels in the diamond pipeline, resulting from reduced global liquidity. The near term outlook is difficult to predict, but lower mine production appears to be providing greater stability to the market.

The uranium market is predominantly based around long term contacts, but spot prices have also remained stable at US$40-50 per lb to date this year. This is significantly lower than the peak levels of 2007, but significantly above longer term historical averages. The market is supported by positive underlying demand and the fact that nuclear electricity output tends to be fairly stable in the short term.

Production

Rio Tinto's iron ore guidance for its global operations in 2009 remains approximately 200 million tonnes (100 per cent. basis) and is based on an expected recovery in Chinese steel demand in the second half of 2009. During the first five months of 2009, approximately half of the iron ore that Rio Tinto produced was sold on a spot market basis. Rio Tinto's share of mined copper production in 2009 is now expected to be approximately 780,000 tonnes with refined copper production of approximately 425,000 tonnes.

In April 2009, Rio Tinto Alcan announced that annual production of bauxite at Weipa would be curtailed to approximately 15 million tonnes (from approximately 20 million tonnes in 2008), due to the continuing sharp fall in alumina and aluminium demand and prices in recent months. Rio Tinto Alcan's share of global bauxite production in 2009 is now expected to be approximately 32 million tonnes.

Following production cuts at the Vaudreuil and Gardanne alumina refineries announced in January 2009, the annual alumina production rate is expected to be reduced by 6 per cent. in 2009 compared with 2008.

Following the sale of the Ningxia smelter in China in January 2009, the closure of the Beauharnois smelter in Quebec in June 2009, the anticipated cessation of smelting operations at the Anglesey smelter in Wales at the end of September 2009 and various other partial curtailments Rio Tinto Alcan's aluminium production capacity is expected to decline by 11 per cent. by the end of 2009. Production in 2009 is expected to be 3.8 million tonnes, a decline of 6 per cent. compared with 2008.

Market conditions have continued to have a significant adverse impact on both volume and price for diamonds. Market demand for some categories, in particular the larger better quality rough stones, has shown tentative signs of improvement while appetite for very large rough stones is still falling. Demand for small, cheaper rough diamonds remains weak due to the continuing weakness in the US market and high trade inventories.

Capital expenditure

Following the announcement in December 2008 of the Group's commitment to reduce capital expenditure from over US$9 billion in 2008 to US$4 billion during 2009 while retaining future growth options and realigning projects with market demand, a number of capital projects have been slowed or deferred.

In April 2009, Rio Tinto Alcan announced that the Yarwun alumina refinery expansion would be slowed to reduce the rate of capital expenditure with a revised completion date in the second half of 2012.

Capital expenditure is expected to be approximately US$4.7 billion for 2009. To date in 2009, the run rate of the Group's capital expenditures has been higher than its announced commitment because certain projects were delayed rather than stopped as a result of the announcement of the potential Chinalco transaction and certain payments were made in 2009 which were expected to have occurred in 2008.

The Group will continue to review its capital expenditure requirements based on its available capital resources as the year progresses.

Contingent liabilities and other commitments

The aggregate amount of minimum lease payments at 31 March 2009 that is due within the next 12 months, under non-cancellable operating leases, was US$1.9 billion, compared with US$1.6 billion at 31 December 2008.

The aggregate amount of future payment commitments for the next five years under unconditional purchase obligations outstanding at 31 March 2009 was US$4.2 billion, compared with US$4.0 billion at 31 December 2008. Unconditional purchase obligations relate to commitments to make payments in the future for fixed or minimum quantities of goods or services at fixed or minimum prices, which have not been discounted and relate mainly to commitments under "take or pay" power and freight contracts.

Contingent liabilities at 31 March 2009 amounted to US$0.6 billion, compared with US$0.5 billion at 31 December 2008. Contingent liabilities are not recognised on the balance sheet, and relate mainly to indemnities and other performance guarantees.

On 4 June 2009, the Board withdrew its recommendation that the shareholders approve the transaction with Chinalco. Rio Tinto will pay Chinalco the agreed break fee of US$195 million.

Cost saving initiatives

On 10 December 2008, Rio Tinto announced a series of initiatives and commitments to reduce net debt by US$10 billion during 2009, including a 14,000 global headcount reduction and a reduction in controllable operating costs by at least US$2.5 billion in 2010. The Group remains on track to deliver on these targets.

Divestments and other recent developments

The processes continue for the businesses that have been identified for divestments, including Alcan Packaging, Alcan Engineered Products and the remaining mines of Rio Tinto Energy America (excluding Colowyo). In May 2009, Rio Tinto announced that its borates business had been taken off the market as the sales process did not achieve values acceptable to the Group in the prevailing economic conditions. The Group continues to consider options for its talc business.

During the first quarter of 2009, Rio Tinto announced divestments totalling US$2.5 billion including US$850 million for the undeveloped potash assets in Argentina and Canada, US$750 million for the Corumbá iron ore operations in Brazil, US$761 million for the Jacobs Ranch coal mine in the United States, and US$125 million for the Ningxia aluminium smelter in China. The completion of the Corumbá and Jacobs Ranch divestments remain subject to the receipt of certain regulatory approvals. The PRC and Ningxia sales completed during the first quarter of 2009.

In April 2009, the Group issued US$3.5 billion of fixed rate bonds as part of its ongoing capital and debt management programme.

In May 2009 Rio Tinto Alcan announced that it had been granted a loan from the Government of Quebec totalling up to US$175 million to further the construction of its AP50 pilot plant in the Saguenay-Lac-Saint-Jean region of Quebec, Canada.

In May 2009, Rio Tinto announced that it had received a request from the US Federal Trade Commission ("**FTC**") for additional information on the pending sale of its Jacobs Ranch coal mine to Arch Coal, Inc. Rio Tinto will continue to cooperate with the FTC and respond expeditiously to this request. Completion of the transaction remains subject to the expiry of the waiting period under the HSR Act.

7 Dividend policy

In light of the current uncertainties in relation to the macroeconomic outlook, the Boards have decided that it would not be appropriate to pay an interim dividend for the current financial year. It will be our intention to pay a final dividend for the current financial year subject to satisfactory trading results. The Group expects that the total cash dividend payment for the 2010 financial year will be at least equal to that paid for 2008 (US$1.75 billion). The Group remains committed to a progressive dividend policy over the longer term.

8 Principal terms of the Rights Issues

The Rights Issues are expected to raise approximately US$15.2 billion in aggregate representing approximately US11.8 billion pursuant to the Rio Tinto plc Rights Issue and A$3.4 billion pursuant to the Rio Tinto Limited Rights Issue. Subject to the conditions of the Rights Issues being satisfied, Qualifying Rio Tinto plc Shareholders will be offered:

21 New Rio Tinto plc Shares at 1,400 pence per New Rio Tinto plc Share for every 40 Existing Rio Tinto plc Shares

held by such Shareholders on the Rio Tinto plc Record Date

and

Qualifying Rio Tinto Limited Shareholders will be offered:

21 New Rio Tinto Limited Shares at A$28.29 per New Rio Tinto Limited Share for every 40 Existing Rio Tinto Limited Shares

held by such Shareholders on the Rio Tinto Limited Record Date.

Entitlements to New Shares will be rounded down to the nearest whole number and fractional entitlements will not be allotted to Shareholders but will be aggregated and sold in the market for the benefit of Rio Tinto (unless the net proceeds of such a sale attributable to a Qualifying Rio Tinto plc Shareholder exceed £5.00, in which case the proceeds will be paid to such Shareholder). Holdings of Existing Rio Tinto plc Shares in certificated and uncertificated form will be treated as separate holdings for the purpose of calculating entitlements under the Rio Tinto plc Rights Issue.

The nominal offer price per New Share under each of the Rights Issues is US$22.94. This has been converted into pounds sterling for the Rio Tinto plc Rights Issue at the closing mid-point US dollar/pounds sterling exchange rate as shown in the London edition of the *Financial Times* on 4 June 2009, and into Australian dollars for the Rio Tinto Limited Rights Issue at the closing mid-point US dollar/Australian dollar exchange rate as shown in the London edition of the *Financial Times* on 4 June 2009. Rio Tinto has entered into certain hedging arrangements to fix the aggregate US dollar amount to be raised under the Rights Issues.

For Rio Tinto plc Shareholders the issue price represents a 38.2 per cent. discount to the Rio Tinto plc Theoretical Ex-Rights Price and a 48.5 per cent. discount to the Rio Tinto plc closing price of 2,720 pence per Rio Tinto plc Share on 4 June 2009 (being the last UK business day before the announcement of the terms of the Rights Issues). For Rio Tinto Limited Shareholders the issue price represents a 47.2 per cent. discount to the Rio Tinto Limited Theoretical Ex-Rights Price and a 57.7 per cent. discount to the Rio Tinto Limited closing price of A$66.90 per Rio Tinto Limited Share on 4 June 2009 (being the last Australian business day before the announcement of the terms of the Rights Issues).

The Rio Tinto plc Rights Issue is expected to result in 524,348,975 New Rio Tinto plc Shares being issued (representing approximately 52.5 per cent. of the existing issued share capital of Rio Tinto plc and 34.4 per cent. of the enlarged issued share capital of Rio Tinto plc immediately following completion of the Rio Tinto plc Rights Issue). The Rio Tinto Limited Rights Issue is expected to result in 150,015,297 New Rio Tinto Limited Shares being issued (representing approximately 52.5 per cent. of the existing publicly held issued share capital of Rio Tinto Limited and 34.4 per cent. of the enlarged publicly held issued share capital of Rio Tinto Limited immediately following completion of the Rio Tinto Limited Rights Issue). In aggregate, the Rights Issues would therefore result in 674,364,272 New Shares being issued (representing 52.5 per cent. of the existing publicly held issued share capital of Rio Tinto and 34.4 per cent. of the enlarged publicly held issued share capital of Rio Tinto immediately following completion of the Rights Issues).

The Rights Issues are conditional, among other things, upon:

- the Underwriting Agreement having become unconditional in all respects (save for the condition relating to UK Admission) and not having been terminated in accordance with its terms;
- UK Admission becoming effective by not later than 8.00 a.m. (London time) on 17 June 2009 (or such later time and date as the parties to the Underwriting Agreement may agree); and
- quotation of the Rio Tinto Limited Rights by not later than 10.00 a.m (Sydney time) on 17 June 2009 (or such later time and date as the relevant parties to the Underwriting Agreement may agree, being not later than the date of UK Admission).

The Rights Issues are inter-conditional. Accordingly, the failure to satisfy any condition in respect of either of the Rights Issues will have the effect that neither Rights Issue will proceed.

The New Rio Tinto plc Shares and the New Rio Tinto Limited Shares, when issued and fully paid, will rank *pari passu* in all respects with the Existing Rio Tinto plc Shares and the Existing Rio Tinto Limited Shares respectively, including the right to receive all dividends or other distributions made, paid or declared by reference to a record date after their date of issue.

Application will be made to the UK Listing Authority and to the London Stock Exchange for the New Rio Tinto plc Shares (nil paid and fully paid) to be admitted to listing on the Official List and admitted to trading on the main market of the London Stock Exchange. It is expected that UK Admission will occur and that dealings in the New Rio Tinto plc Shares (nil paid) on the London Stock Exchange will commence at 8.00 a.m. (London time) on 17 June 2009. Qualifying Non-CREST Rio Tinto plc Shareholders (other than Qualifying Non-CREST Rio Tinto plc Shareholders in the United States, the Excluded Territories or Restricted Territories) will be sent a Rio Tinto plc Provisional Allotment Letter in due course, containing details of the New Rio Tinto plc Shares they will be entitled to take up and their Rio Tinto plc Nil Paid Rights. The New Rio Tinto plc Shares will be issued in registered form and will be held in certificated form or uncertificated form via CREST.

Application is also being made to ASX for official quotation of the New Rio Tinto Limited Shares. The trading period in respect of the Rio Tinto Limited Rights on ASX is expected to operate from 17 June 2009 to 24 June 2009, with deferred settlement and standard T+3 settlement trading in the New Rio Tinto Limited Shares expected to commence on 25 June 2009 and 10 July 2009, respectively.

The Rio Tinto plc Rights Issue has been structured such that Rio Tinto plc will be required to create a merger reserve equal in amount to the net proceeds of the Rio Tinto plc Rights Issue less the par value of the New Rio Tinto plc Shares issued, rather than transfer such an amount to the share premium account as would otherwise have been the case. This structure means that, as a matter of English company law, the New Rio Tinto plc Shares will be paid up otherwise than in cash, and the pre-emption regime in sections 89 to 94 of the Companies Act 1985 will not apply to the Rio Tinto plc Rights Issue. However, Qualifying Rio Tinto plc Shareholders who take up all the New Rio Tinto plc Shares to which they are entitled will, subject to fractions, retain the same proportionate voting, distribution and capital rights in the Rio Tinto Group as a whole.

Tinto Holdings Australia Pty Limited, a wholly-owned indirect subsidiary of Rio Tinto plc ("**THA**"), currently holds approximately 37.45 per cent. of the Existing Rio Tinto Limited Shares. THA will receive Rio Tinto Limited Rights under the Rio Tinto Limited Rights Issue in the same manner as all other Qualifying Rio Tinto Limited Shareholders. However, THA has determined that it will not exercise or otherwise dispose of its Rio Tinto Limited Rights. Further, the New Rio Tinto Limited Shares to which THA would be entitled will not be placed, or taken up, by the Underwriters in the same manner as the entitlements of other Qualifying Rio Tinto Limited Shareholders that are not taken up as described below, and so its Rio Tinto Limited Rights will expire. As described above, this means that Qualifying Shareholders who take up all the New Shares to which they are entitled will, subject to fractions, retain the same proportionate voting, distribution and capital rights in the Rio Tinto Group as a whole. The percentage shareholding in Rio Tinto Limited held by THA is expected to be reduced to 28.2 per cent. as a result of the Rio Tinto Limited Rights Issue.

9 Placement of entitlements not taken up

If you are a Qualifying Rio Tinto plc Shareholder and do not sell or otherwise transfer your Rio Tinto plc Nil Paid Rights and do not take up in whole your Rio Tinto plc Nil Paid Rights (including where you are prevented from doing so as a result of any applicable securities law), J.P. Morgan Cazenove and Credit Suisse Securities will attempt to place the New Rio Tinto plc Shares that your Rio Tinto plc Nil Paid Rights represent with investors at a price per New Rio Tinto plc Share that is at least equal to the aggregate of the Rio Tinto plc Issue Price and the expenses of procuring such investors. If J.P. Morgan Cazenove and Credit Suisse Securities successfully place all of these New Rio Tinto plc Shares, you will receive the amount by which the placing price (net of expenses) exceeds the Rio Tinto plc Issue Price, provided that the aggregate sum due to you exceeds £5.00, while the Rio Tinto plc Issue Price will be paid to Rio Tinto plc. You may receive some cash in respect of your Rio Tinto plc Nil Paid Rights or you may receive nothing, depending on the outcome of this process.

Separately from the above process, if you are a Qualifying Rio Tinto Limited Shareholder (other than THA) and do not sell or otherwise transfer your Rio Tinto Limited Rights and do not take up in whole your Rio Tinto Limited Rights (including where you are prevented from doing so as a result of any applicable securities law), J.P. Morgan Australia, Credit Suisse (Australia) and Macquarie Capital Advisers will attempt to place the Rio Tinto Limited Shares that your Rio Tinto Limited Rights represent with investors at a price per Rio Tinto Limited Share that is at least equal to the aggregate of the Rio Tinto Limited Issue Price and the expenses of procuring such investors. If J.P. Morgan Australia, Credit Suisse (Australia) and Macquarie Capital Advisers successfully place all of these New Rio Tinto Limited Shares, you will receive the amount by which the placing price (net of expenses) exceeds the Rio Tinto Limited Issue Price, while the Rio Tinto Limited Issue Price will be paid to Rio Tinto Limited. You may receive some cash in respect of your Rio Tinto Limited Rights or you may receive nothing, depending on the outcome of this process.

10 Overseas Shareholders

New Rio Tinto plc Shares will be provisionally allotted (nil paid) to all Qualifying Rio Tinto plc Shareholders and Rio Tinto Limited Rights will be granted to all Qualifying Rio Tinto Limited Shareholders. Although Rio Tinto plc Nil Paid Rights will be credited to the CREST accounts of all Qualifying CREST Rio Tinto plc Shareholders and Rio Tinto Limited Rights will be granted to all Qualifying Rio Tinto Limited Shareholders, such crediting of Rio Tinto plc Nil Paid Rights and grant of Rio Tinto Limited Rights does not constitute an offer to any of such Shareholders with registered addresses in the United States, the Excluded Territories or the Restricted Territories and any such Shareholders will not be entitled to take up or deal with rights in the Rights Issues in contravention of any registration or other legal requirement in any jurisdiction.

In the case of Qualifying Non-CREST Rio Tinto plc Shareholders with registered addresses in the United States, the Excluded Territories or the Restricted Territories, Rio Tinto plc Provisional Allotment Letters will not be sent to such Shareholders or their agent or intermediary, except where Rio Tinto is satisfied that such action would not result in the contravention of any registration or other legal requirement in any jurisdiction.

Rio Tinto reserves the right to permit any Qualifying Shareholder to take up his rights if Rio Tinto in its sole and absolute discretion is satisfied that the transaction in question is exempt from or not subject to the legislation or regulations giving rise to the restrictions in question.

Overseas Rio Tinto plc Shareholders who cannot take up the New Rio Tinto plc Shares provisionally allotted to them will be treated in the same way as all other Qualifying Rio Tinto plc Shareholders that do not take up the New Rio Tinto plc Shares provisionally allotted to them. Overseas Rio Tinto Limited Shareholders who cannot take up their Rio Tinto Limited Rights will be treated in exactly the same way as Qualifying Rio Tinto Limited Shareholders (other than THA) that do not take up their Rio Tinto Limited Rights.

11 Matching offers

The Rights Issues have been structured as matching offers as provided for in the DLC Sharing Agreement. Consistent with the Equalisation Ratio of 1:1 that underpins the Rio Tinto dual listed companies structure, the Rio Tinto plc Rights Issue and the Rio Tinto Limited Rights Issue are based on the same ratio and same subscription prices, based on the US dollar-pounds sterling and US dollar-Australian dollar exchange rates as shown in the London edition of the *Financial Times* on 4 June 2009. Accordingly, the Boards consider that the Rights Issues do not materially disadvantage a holder of a Rio Tinto plc Share relative to a holder of a Rio Tinto Limited Share, or vice versa, and have therefore determined, in accordance with the DLC Sharing Agreement, that no adjustment to the Equalisation Ratio is required as a result of the Rights Issues.

12 Directors' intentions

To the extent permitted, each of the Directors intends to take up in full his or her rights to subscribe for New Shares under the Rights Issues in respect of his or her direct registered holdings. With respect to Existing Shares held in schemes which permit Directors to subscribe for the associated rights, this will be at the Director's discretion.

Yours faithfully

Jan du Plessis
Chairman

Rio Tinto

Unaudited financial information for the three months ended 31 March 2009 and 2008 -

Group income statement

	(Unaudited)		(Audited)
	Three months ended 31 March 2009	Three months ended 31 March 2008	Year ended 31 December 2008
		US$ million	
Gross sales revenue (including share of equity accounted units)[1]	9,538	13,236	58,065
Continuing operations			
Consolidated sales revenue	9,191	11,847	54,264
Net operating costs (excluding items shown separately)	(7,502)	(8,911)	(37,641)
Impairment charges net of reversals[2]	—	—	(8,015)
(Losses)/profit on disposal of interests in businesses[3]	(4)	1,616	2,231
Exploration and evaluation costs	(136)	(174)	(1,134)
Profit on disposal of interests in undeveloped projects[4]	887	24	489
Operating profit	2,436	4,402	10,194
Share of profit after tax of equity accounted units	121	428	1,039
Profit before finance items and taxation	2,557	4,830	11,233
Finance items			
Net exchange gains/(losses) on external debt and intra group balances	79	(45)	(176)
Net gains/(losses) on derivatives not qualifying for hedge accounting	39	(111)	(173)
Interest receivable and similar income	32	39	204
Interest payable and similar charges	(219)	(470)	(1,618)
Amortisation of discount	(55)	(74)	(292)
	(124)	(661)	(2,055)
Profit before taxation	2,433	4,169	9,178
Taxation	(499)	(1,130)	(3,742)
Profit from continuing operations	1,934	3,039	5,436
Discontinued operations			
Loss after tax from discontinued operations[5]	(204)	—	(827)
Profit for the period	1,730	3,039	4,609
– attributable to outside equity shareholders	126	100	933
– attributable to equity shareholders of Rio Tinto (Net earnings)	1,604	2,939	3,676

	(Unaudited)		(Audited)
	Three months ended 31 March 2009	Three months ended 31 March 2008	Year ended 31 December 2008
		US$ million	
Basic earnings/(loss) per share[(6)]			
Profit from continuing operations	140.8c	229.0c	350.8c
Loss from discontinued operations	(15.9c)	—	(64.4c)
Profit for the period	124.9c	229.0c	286.4c
Diluted earnings/(loss) per share[(6)]			
Profit from continuing operations	140.6c	227.9c	349.2c
Loss from discontinued operations	(15.9c)	—	(64.1c)
Profit for the period	124.7c	227.9c	285.1c
Dividends paid during the period (US$ million)	—	—	1,933
Dividends per share: paid during the period	—	—	152.0c
Dividends per share: proposed in the announcement of the results for the period	—	—	68.0c

Notes:

(1) Gross sales revenue includes the sales revenue of equity accounted units of US$519 million (31 March 2008: US$1,389 million; 31 December 2008: US$3,801 million) in addition to consolidated sales revenue (after adjusting for intra-subsidiary/equity accounted units sales). Consolidated sales revenue includes subsidiary sales to equity accounted units which are not included in gross sales revenue.

(2) Of the US$8,015 million included in "Impairment charges" in 2008, US$7,341 million relates to the Group's aluminium businesses excluding Alcan Packaging, which is discussed separately in note (5) below. Of this amount, US$6,608 million has been allocated to goodwill.

(3) Gains arising on the disposal of interests in businesses in 2008 relate principally to sales of the Cortez gold mine completed on 5 March 2008 and the Greens Creek mine completed on 16 April 2008.

(4) Gains arising on the disposal of interests in undeveloped projects are stated net of charges of nil (31 March 2008: nil; 31 December 2008: US$156 million), related to such projects.

(5) A US$91 million impairment of the Alcan Packaging business has been recognised in the quarter ending 31 March 2009. This impairment is based on an estimate of fair value less costs to sell, which is based on the Group's best estimate of expected proceeds to be realised on sale of Alcan Packaging, less an estimate of remaining costs to sell. Additionally, 'Loss after tax from discontinued operations' includes US$113 million relating to an increase in the Group's estimate of the tax to be paid on sale of the Alcan Packaging business. This increase in estimate follows a detailed review of the changes in the proposed sale structure.

(6) Per share data is presented in US cents. For the purposes of calculating basic earnings per share, the weighted average number of Rio Tinto plc and Rio Tinto Limited shares outstanding during the period was 1,283.9 million (31 March 2008: 1,283.2 million; 31 December 2008: 1,283.5 million), being the average number of Rio Tinto plc shares outstanding of 998.2 million (31 March 2008: 997.5 million; 31 December 2008: 997.8 million), plus the average number of Rio Tinto Limited shares outstanding not held by Rio Tinto plc of 285.7 million (31 March and December 2008: 285.7 million). The profit figure used in calculating basic and diluted earnings per share is based on profit attributable to equity shareholders of Rio Tinto. For the purposes of calculating diluted earnings per share, the effect of dilutive securities is added to the weighted average number of shares. This effect is calculated under the treasury stock method.

Group statement of cash flows

	(Unaudited)		(Audited)
	Three months ended 31 March 2009	Three months ended 31 March 2008	Year ended 31 December 2008
		US$ million	
Cash flows from consolidated operations[1]	3,388	3,151	19,195
Dividends from equity accounted units	32	385	1,473
Cash flows from operations	3,420	3,536	20,668
Net interest paid	(420)	(525)	(1,538)
Dividends paid to outside shareholders of subsidiaries	(104)	(53)	(348)
Tax paid	(676)	(599)	(3,899)
Net cash generated from operating activities	2,220	2,359	14,883
Cash flows from investing activities			
Net disposals of subsidiaries, joint ventures and associates	67	1,924	2,563
Purchase of property, plant and equipment and intangible assets	(1,513)	(1,663)	(8,574)
Sales of financial assets	94	88	171
Purchases of financial assets	(9)	(21)	(288)
Other funding of equity accounted units	(43)	(139)	(334)
Other investing cash flows	15	16	281
Cash (used in)/from investing activities	(1,389)	205	(6,181)
Cash flows before financing activities	831	2,564	8,702
Cash flows from financing activities			
Equity dividends paid to Rio Tinto shareholders	—	—	(1,933)
Proceeds from issue of ordinary shares in Rio Tinto	3	17	23
Proceeds from additional borrowings	1,330	—	4,697
Repayment of borrowings	(1,515)	(2,417)	(12,667)
Finance lease repayments	(3)	(2)	(10)
Receipts from close out of interest rate swaps	—	—	710
Other financing cash flows	17	28	72
Cash used in financing activities	(168)	(2,374)	(9,108)
Effects of exchange rates on cash and cash equivalents	(46)	13	(101)
Net increase/(decrease) in cash and cash equivalents	617	203	(507)
Opening cash and cash equivalents less overdrafts	1,034	1,541	1,541
Closing cash and cash equivalents less overdrafts[2]	1,651	1,744	1,034

	(Unaudited)		(Audited)
	Three months ended 31 March 2009	Three months ended 31 March 2008	Year ended 31 December 2008
		US$ million	

Notes:

(1) **Cash flows from consolidated operations**

Profit from continuing operations	1,934	3,039	5,436
Adjustments for:			
Taxation	499	1,130	3,742
Finance items	124	661	2,055
Share of profit after tax of equity accounted units	(121)	(428)	(1,039)
Loss/(profit) on disposal of interests in businesses	4	(1,616)	(2,231)
Impairment charges	—	—	8,015
Depreciation and amortisation	739	790	3,475
Provisions (including exchange gains on provisions)	122	51	265
Utilisation of provisions	(134)	(110)	(464)
Utilisation of provision for post retirement benefits	(77)	(86)	(448)
Change in inventories	(134)	(168)	(1,178)
Change in trade and other receivables	896	(171)	658
Change in trade and other payables	(662)	106	951
Other items	198	(47)	(42)
	3,388	3,151	19,195

(2) Closing cash and cash equivalents less overdrafts at 31 March 2009 differs from cash and cash equivalents less overdrafts on the statement of financial position as it includes US$15 million related to Corumbá cash and cash equivalents shown separately as assets held for sale on the statement of financial position.

Rio Tinto

Group statement of financial position

	(Unaudited)	(Audited)
	As at 31 March 2009	As at 31 Decemb er 2008
	US$ million	
Non-current assets		
Goodwill	14,166	14,296
Intangible assets	6,199	6,285
Property, plant and equipment	41,059	41,753
Investments in equity accounted units	5,062	5,053
Loans to equity accounted units	76	264
Inventories	204	166
Trade and other receivables	1,036	1,111
Deferred tax assets	1,456	1,367
Tax recoverable	66	220
Other financial assets	720	666
	70,044	71,181
Current assets		
Inventories	5,319	5,607
Trade and other receivables	4,304	5,401
Assets held for sale(1)	5,907	5,325
Loans to equity accounted units	474	251
Tax recoverable	440	406
Other financial assets	289	264
Cash and cash equivalents	1,674	1,181
	18,407	18,435
Current liabilities		
Bank overdrafts repayable on demand	(38)	(147)
Borrowings	(10,142)	(9,887)
Trade and other payables	(5,569)	(7,197)
Liabilities of disposal groups held for sale(1)	(2,075)	(2,121)
Other financial liabilities	(420)	(480)
Tax payable	(1,318)	(1,442)
Provisions	(895)	(826)
	(20,457)	(22,100)
Net current liabilities	(2,050)	(3,665)

	(Unaudited)	(Audited)
	As at 31 March 2009	**As at 31 December 2008**
	US$ million	
Non-current liabilities		
Borrowings	(29,261)	(29,724)
Trade and other payables	(462)	(452)
Other financial liabilities	(331)	(268)
Tax payable	(354)	(450)
Deferred tax liabilities	(4,296)	(4,054)
Provision for post retirement benefits	(3,153)	(3,601)
Other provisions	(6,255)	(6,506)
	(44,112)	(45,055)
Net assets	23,882	22,461
Capital and reserves		
Share capital(2)		
– Rio Tinto plc	160	160
– Rio Tinto Limited (excluding Rio Tinto plc interest)	946	961
Share premium account	4,708	4,705
Other reserves	(2,761)	(2,322)
Retained earnings	19,036	17,134
Equity attributable to Rio Tinto shareholders	22,089	20,638
Attributable to outside equity shareholders	1,793	1,823
Total equity	23,882	22,461

Notes:

(1) Assets and liabilities held for sale as at 31 March 2009 comprise the Corumbá iron ore operation in Brazil, Jacobs Ranch and Alcan Packaging group. Assets and liabilities held for sale as at 31 December 2008 comprise the Alcan Packaging group which was acquired with a view to resale.

(2) At 31 March 2009, Rio Tinto plc had 998.6 million ordinary shares in issue and held by the public, and Rio Tinto Limited had 285.7 million shares in issue, excluding those held by Rio Tinto plc. Net tangible assets per share as defined by the ASX amounted to US$1.34 (31 December 2008: US$0.04 net tangible assets).

Rio Tinto

Net earnings and Underlying Earnings

In order to provide additional insight into the performance of its business, Rio Tinto presents Underlying Earnings. The differences between Underlying Earnings and net earnings are set out in the following table. Net earnings and Underlying Earnings which are the focus of the commentary in this report, deal with amounts attributable to equity shareholders of Rio Tinto.

	(Unaudited) Three months ended 31 March	
	2009	**2008**
	US$ million	
Underlying Earnings	1,751	1,881
Items excluded from Underlying Earnings		
Losses/profits on disposal of interests in businesses	(8)	1,093
Loss after tax from discontinued operations	(204)	–
Exchange differences and derivatives	157	20
Other, including divestment and takeover defence costs	(92)	(55)
Net earnings	1,604	2,939

Commentary on the Group financial results

First quarter 2009 Underlying Earnings of US$1,751 million and first quarter 2009 net earnings of US$1,604 million were US$130 million and US$1,335 million below, respectively, the comparable measures for the first quarter of 2008. The principal factors explaining the movements are set out in the table below. Reference to earnings, include both net earnings and Underlying Earnings unless otherwise specified.

	(Unaudited)	
	Underlying Earnings	**Net earnings**
	US$ million	
First quarter 2008	1,881	2,939
Effect of changes in:		
Prices[1]	(1,184)	
Exchange rates	470	
Volumes	(402)	
General inflation	(102)	
Energy	70	
Exploration and evaluation costs (net of profits on disposals of exploration projects)[2]	898	
Interest/tax/other	120	
Total changes in Underlying Earnings	(130)	(130)

	(Unaudited)	
	Underlying Earnings	Net earnings
	US$ million	
Profits on disposal of interests in businesses	–	(1,101)
Loss after tax from discontinued operations	–	(204)
Exchange differences and derivatives	–	137
Other, including divestment and takeover defence costs	–	(37)
First quarter 2009	1,751	1,604

Notes:

(1) Included in the price variance is a net profit and loss effect in the first quarter of 2009 of (US$46) million related to aluminium inventory write down.

(2) The variance in exploration and evaluation costs includes a US$797 million profit on disposal following the divestment of the undeveloped potash assets in Argentina and Canada.

Prices

The effect of price movements in the first quarter of 2009 was to decrease Underlying Earnings by US$1,184 million compared with the first quarter of 2008. Prices for aluminium, copper and molybdenum were all considerably lower in the period as economic activity continued to decline in the first quarter of 2009. The table below shows average prices for the first quarters of 2009 and 2008 and the 31 March 2009 price for the principal commodities for which the Group receives payments based on spot market pricing:

Commodity	**First Quarter 2009 Average Price**	**First Quarter 2008 Average Price**	**31 March 2009 Price**
Copper (USc/lb)	154	350	183
Aluminium (USc/lb)	62	123	62
Gold (US$/troy oz)	907	924	917
Molybdenum (US$/lb)	9	34	9

Iron ore prices were higher in the period reflecting the increase in benchmark prices for the 2008/09 contract year, partially offset by a significant amount of sales in the spot market during the first quarter of 2009 at prices significantly below 2008/09 contract levels. During the first quarter of 2009, approximately 50 per cent. of the Group's iron ore sales were on the spot market. Prices were higher for both thermal coal and coking coal reflecting 2008/09 contract price increases.

Exchange rates

The US dollar, the Group's reporting currency, strengthened in the first quarter of 2009 relative to the currencies in which Rio Tinto incurs the majority of its costs. The effect of all currency movements during the first quarter of 2009 increased Underlying Earnings relative to the first quarter of 2008 by US$470 million as, on average, the Australian dollar weakened by 27 per cent., the Canadian dollar by 20 per cent. and the Euro by 13 per cent. during the period.

Volumes

First quarter 2009 volumes were lower in the Iron Ore group following adverse weather conditions in the Pilbara and an alignment of production with lower market demand. Lower volumes at Alcan Engineered Products reflected lower demand as a result of deteriorating market conditions. Copper production was higher in the first quarter of 2009 compared with the same period in 2008, primarily as a result of higher average mill rate combined with significantly higher ore grades at Kennecott Utah Copper, partly offset by technical issues at Escondida that have adversely affected production since August 2008, and will continue to do so until mid-2009. Aluminium production was lower, mainly due to the sale of Alcan Ningxia and the closure of Lannemezan, combined with lower demand and unplanned shutdowns due to equipment issues and emergency maintenance. Demand for industrial minerals products was lower, consistent with reduced economic activity across all major regions and coking coal sales were materially higher compared to the first quarter PRA1 9.2.1 of 2008, as a result of adverse weather conditions in the first quarter of 2008. The overall impact of all volume movements was a decrease in Underlying Earnings of US$402 million relative to the first quarter of 2008.

Costs

Costs were broadly similar to the first quarter of 2008. Higher demurrage and bunkering costs as a consequence of adverse weather conditions and the effect of lower production increased unit costs in the Iron Ore group. This was largely offset by lower costs elsewhere in the Group reflecting lower input costs and lower corporate costs. The net impact of global inflation decreased Underlying Earnings by US$102 million.

The US$797 million profit on disposal (net of tax) of the Potasio Rio Colorado and the Regina exploration asset (the "**Potash assets**") has been recognised within Underlying Earnings. The net impact on Underlying Earnings from the change in exploration and evaluation costs was to increase Underlying Earnings by US$898 million compared with the first quarter of 2008. Underlying earnings includes gains and losses on the disposal or impairment of undeveloped projects as the Group frequently sells undeveloped properties as an alternative to development, and such activities are a core strategic component of the Group's regular exploration and development activities.

Lower energy costs, principally driven by lower fuel and oil prices, increased Underlying Earnings by US$70 million.

Interest, tax and other

The Group charge for the first quarter of 2009 was US$120 million lower than in the first quarter of 2008, reflecting lower net debt balances and lower interest rates, partially offset by other non cash cost.

The effective tax rate on Underlying Earnings, excluding equity accounted units, was 22.5 per cent. compared with 36.8 per cent. in the first quarter of 2008. This decrease largely related to the one-off non-taxable profit on disposal of Potash assets which was recognised in the first quarter of 2009.

Items excluded from Underlying Earnings

The Cortez gold mine (Rio Tinto share: 40 per cent.) and the Tarong Coal mine were divested in the first quarter of 2008. The US$1,093 million profit on disposal from these divestments was excluded from Underlying Earnings for the first quarter of 2008 and disclosed separately as profit on disposal of interests in businesses.

Items excluded from Underlying Earnings also include an impairment charge in respect of the Alcan Packaging business of US$91 million recognised in the first quarter of 2009. This arose because the Group's best estimate of expected proceeds to be realised on sale of Alcan Packaging reduced owing to the foreign exchange movements.

Additionally, 'Loss after tax from discontinued operations' includes US$113 million relating to an increase in the Group's estimate of the tax to be paid on the sale of the Alcan Packaging business.

Profit for the first quarter of 2009

IFRS requires that the profit for the period reported in the income statement should also include earnings attributable to outside shareholders in subsidiaries. For the first quarter of 2009, the profit was US$1,730 million (first quarter 2008: US$3,039 million) of which US$126 million (first quarter 2008: US$100 million) was attributable to outside shareholders, leaving US$1,604 million (first quarter 2008: US$2,939 million) of net earnings attributable to Rio Tinto shareholders. Net earnings and Underlying Earnings, which are the focus of this commentary, deal with amounts attributable to equity shareholders of Rio Tinto.

Cash flow

Cash flow from operations, including dividends from equity accounted units, was US$3,420 million in the first quarter of 2009, 3 per cent. lower than in the first quarter of 2008. The effect of declining prices and volumes and significantly lower dividends from equity accounted units was largely offset by the Potash assets disposal proceeds of US$850 million which, being sales of undeveloped projects, were included in cash flow from operations in accordance with the Group's accounting policy.

Net disposals of subsidiaries, joint ventures and associates of US$67 million in the first quarter of 2009 primarily related to Alcan Ningxia. In the first quarter of 2008 asset disposal proceeds of US$1,924 million primarily related to Cortez and Tarong. There were no acquisitions during the period. Capital expenditure on property, plant and equipment and intangible assets was US$1,513 million in the first quarter of 2009, US$150 million lower than the same period in 2008 reflecting the Group's decision to slow or defer some capital expenditure projects. Capital expenditure during the first quarter of 2009 included the expansion of the Cape Lambert port, the completion of the Hope Downs south mine, Brockman 4 and Mesa A developments in Western Australia, the expansion of the Yarwun alumina refinery and the Alumar expansion.

Net debt

There were net repayments of borrowings of US$185 million in the first quarter of 2009 as further debt was drawn down on Facility B under the Alcan credit facilities prior to partial repayment using the Potash assets proceeds. There were net repayments of borrowings under the Alcan credit facilities of US$2,417 million in the first quarter of 2008 principally attributable to the proceeds of asset disposals.

As at the dates indicated, the Group's net debt was as follows:

	(Unaudited) As at 31 March 2009	**(Unaudited) As at 31 December 2008**
	(US$ million)	
Bonds	(9,671)	(9,704)
Alcan credit facilities (as detailed below)	(27,835)	(27,985)
Other debt	(2,031)	(2,164)
Cash and cash equivalents	(1,674)	(1,181)
Net debt	(37,863)	(38,672)

As at the dates indicated, the amounts outstanding under the Alcan credit facilities were as follows:

	As at 30 April 2009	As at 31 March 2009	As at 31 December 2008
		US$ million	
Facility A due October 2009	7,145	8,885	8,885
Facility B due October 2010	8,100	8,950	9,100
Facility C due October 2012	—	—	—
Facility D due October 2012	10,000	10,000	10,000
Total	25,245	27,835	27,985

In April 2009 the net proceeds from the issue of the US$3.5 billion bonds were used to pay down Facilities A and B by US$1,740 million and US$1,650 million respectively. Subsequently a further US$800 million was drawn down from Facility B for operational purposes.

As at 31 March 2009, the Group had US$1.05 billion available under Facility B and US$5.0 billion available under Facility C. Once drawn, there is no restriction on the use of these funds. As at 30 April 2009, the Group had US$1.9 billion available under Facility B and US$5.0 billion available under Facility C. The period for drawing down under Facilities A and D has now expired.

As at 31 March 2009, the Group also had additional unused committed bilateral banking facilities of US$2.1 billion; $1.0 billion of these facilities are scheduled to expire in 2011 and the remainder in 2012.

As at the dates indicated, the Group's gross debt maturity profile was as follows:

	As at 30 April 2009	(Unaudited) As at 31 March 2009	As at 31 December 2008
		US$ million	
2009	8,034	9,436	9,782
2010	8,503	9,107	9,700
2011	454	484	449
2012	10,583	10,668	10,605
2013	3,408	3,619	3,124
2014 and beyond	9,470	6,227	5,550
Total	40,452	39,541	39,210

Gross debt increased to US$40,452 million as at 30 April 2009 following the payment of the final dividend and regularly scheduled payments to tax authorities.

Capital commitments for 2009

Capital commitments, including those relating to joint ventures and associates, were US$3,537 million as at 31 March 2009 compared to US$4,354 million as at 31 March 2008.

Interest rate and credit ratings

The weighted average interest cost of the borrowings under the Alcan acquisition facilities as at 30 April 2009 0.809 per cent. per annum which is LIBOR plus margins of between 0.325 and 0.425 per cent.

In December 2008, Moody's downgraded the long-term rating of the Group from A3 to Baa1, and S&P downgraded its long-term rating from BBB+ to BBB and its short-term corporate credit rating from A-2 to A-3. Since the downgrades, both Moody's and S&P have retained a negative outlook in respect of their ratings.

Following the announcement of the strategic alliance with Chinalco in February 2009, Moody's placed the Group under review for a possible downgrade, while at the same time affirming the Prime-2 short-term rating. S&P reaffirmed the BBB rating.

Covenants

The only financial covenant under the Alcan credit facilities is a ratio of net debt to underlying EBITDA of no greater than 4.5 times which the Group is required to comply with at the end of each financial year and financial half year in respect of the preceding twelve month period. As at 31 March 2009, the ratio was 2.66 (31 December 2008: 1.73).

There are no financial covenants in respect of Rio Tinto's bonds.

Reconciliation of consolidated net debt

	(Unaudited) As at 31 March 2009	(Unaudited) As at 31 December 2008
	US$ million	
Analysis of changes in consolidated net debt		
At 1 January in the period	(38,672)	(45,191)
Adjustment on currency translation	69	1,296
Exchange losses/gains charged/credited to the income statement	(109)	(1,701)
Gains on derivatives related to net debt	19	105
Debt of acquired companies	—	—
Cash movements excluding exchange movements	852	6,864
Other movements	(22)	(45)
At period end	(37,863)	(38,672)
Analysis of closing balance		
Borrowings	(39,403)	(39,611)
Bank overdrafts repayable on demand	(38)	(147)
Cash and cash equivalents	1,674	1,181
Other liquid resources (included in 'other financial assets')	4	4
Derivatives related to net debt (included in 'other financial assets/liabilities')	(100)	(99)
	(37,863)	(38,672)

Statement of Financial Position

Net debt decreased to US$37.9 billion as at 31 March 2009 representing a decrease of US$0.8 billion from 31 December 2008, as a result of the Group paying down debt using free cash flow and the proceeds of asset disposals during the period, in particular the Potash assets sale for US$850 million in cash. The ratio of net debt to total capital (defined as Rio Tinto shareholders' funds plus net debt and outside equity interests) was 61 per cent. as at 31 March 2009 slightly down from 63 per cent. as at 31 December 2008. Interest cover (defined as profit before finance items and taxation, divided by net interest payable for the period) remained the same at 31 March 2009 as at 31 December 2008, at approximately ten times net income.

In the first quarter of 2009, receivables decreased in line with lower prices and volumes and payables decreased with lower accruals reflecting the reduction in capital expenditure levels.

For the period ended 31 March 2009, the Group's net assets increased by US$1.4 billion, compared with 31 December 2008, broadly reflecting net profit for the period of US$1.7 billion. During the period ended 31 March 2009, there were actuarial gains of US$286 million compared with US$855 million actuarial losses for the year ended 31 December 2008 as the value of obligations decreased from higher discount rates and lower expected inflation. However, these were more than offset by adverse currency translation effects arising from the strengthening of the US dollar during the period.

Assets held for sale

During the first quarter of 2009, Rio Tinto announced that it had reached agreement to sell its Brazilian iron ore operation, Corumbá, and its US coal mine Jacobs Ranch. Completion of each of these transactions is subject to obtaining required regulatory approvals. Therefore these two operations are treated as assets held for sale in the statement of financial position, as is Alcan Packaging. Assets held for sale are carried at the lower of fair value and carrying value. There was a further impairment charge of US$91 million in the first quarter of 2009 in respect of Alcan Packaging as a result of a reduction in the Group's best estimate of expected proceeds to be realised on sale due to foreign exchange movements. Additionally, 'Loss after tax from discontinued operations' includes US$113 million relating to an increase in the Group's estimate of the tax to be paid on the sale of the Alcan Packaging business. The fair value of Corumbá and Jacobs Ranch exceeded their respective carrying values as at 31 March 2009.

Reconciliation to Australian IFRS

The Group prepares its financial statements in accordance with IFRS as adopted by the European Union ("**EU IFRS**"), which differs in certain respects from the version of IFRS that is applicable in Australia ("**Australian IFRS**"). Prior to 1 January 2004, the Group's financial statements were prepared in accordance with UK GAAP. Under EU IFRS, goodwill on acquisitions prior to 1998, which was eliminated directly against equity in the Group's UK GAAP financial statements, has not been reinstated. This was permitted under the rules governing the transition to EU IFRS set out in IFRS 1. The equivalent Australian Standard, AASB 1, does not provide for the netting of goodwill against equity. As a consequence, shareholders' funds under Australian IFRS include the residue of such goodwill, which amounted to US$752 million at 31 March 2009 (31 March 2008: US$736 million; 31 December 2008: US$752 million). Save for the exception described above, the Group's financial statements prepared in accordance with EU IFRS are consistent with the requirements of Australian IFRS.

Rio Tinto

Review of operations for the three months ended 31 March 2009 and 2008

All references to earnings within this section refer to Underlying Earnings.

Financial information by Product Group

	(Unaudited)		(Audited)
	Three months ended 31 March 2009	Three months ended 31 March 2008	Year ended 31 Decembe r 2008
		US$ million	
Sales revenue			
Iron Ore	2,781	2,928	16,527
Energy and Minerals	2,176	1,944	10,998
Aluminium	3,518	5,963	23,839
Copper and Diamonds	1,063	2,401	6,669
Other operations	4	4	44
	9,542	13,240	58,077
Other items	(4)	(4)	(12)
Gross sales revenue	9,538	13,236	58,065
Share of sales of equity accounted units and subsidiary sales to equity accounted units	(347)	(1,389)	(3,801)
Consolidated sales revenue per income statement	9,191	11,847	54,264
Underlying earnings			
Iron Ore	988	916	6,017
Energy and Minerals	1,258	241	2,887
Aluminium	(481)	330	1,184
Copper and Diamonds	182	861	1,758
Other operations	(2)	(18)	(52)
Product group operations	1,945	2,330	11,794
Other items	(116)	(88)	(337)
Central Exploration and evaluation	54	(39)	(124)
Net interest payable	(132)	(322)	(1,030)
Underlying earnings	1,751	1,881	10,303
Items excluded from Underlying earnings	(147)	1,058	(6,627)
Net earnings per income statement	1,604	2,939	3,676
Depreciation and amortisation			
Iron Ore	141	172	705
Energy and Minerals	114	141	612
Aluminium	405	422	1,858
Copper and Diamonds	153	137	621
Other operations	1	(1)	13
	814	871	3,809

	(Unaudited)		(Audited)
	Three months ended 31 March 2009	Three months ended 31 March 2008	Year ended 31 Decembe r 2008
		US$ million	
Other items	18	16	80
Less: depreciation and amortisation of equity accounted units	(93)	(97)	(414)
Depreciation and amortisation (excluding equity accounted units)	739	790	3,475

Comparison of underlying earnings

First quarter 2009 underlying earnings of US$1,751 million were $130 million lower than the comparable period of 2008. The table below shows the difference by product group.

	(Unaudited) US$ million
Unaudited	
First quarter 2008 underlying earnings	1,881
Iron ore	72
Energy and Minerals[1]	1,017
Aluminium	(811)
Copper and Diamonds	(679)
Other operations	16
Central exploration and evaluation	93
Interest	190
Other	(28)
First quarter 2009 underlying earnings	1,751

Note:

(1) The variance in the Energy and Minerals earnings includes a US$797 million profit on disposal following the divestment of the Potash assets (PRC in Argentina and Regina in Canada).

All subsequent references to earnings within the business unit section refer to underlying earnings.

Iron ore

Product group earnings of US$988 million for the first quarter of 2009 were US$72million higher than the comparable period in 2008, which was primarily attributable to higher prices being achieved in the 2008/09 contract period and the weaker Australian dollar, partially offset by lower shipments due to the weaker global economy, higher unit costs following lower production and increased sales of lower margin products.

Long-term contract prices for Pilbara customers during the first quarter of 2009 benefitted from the 2008/09 price settlements which represented an average increase of 86 per cent above first quarter 2008 benchmark prices. However, this price increase was partially offset by approximately half of sales being made into the spot market in the quarter at significant discounts to benchmark prices. First quarter 2009 production in the Pilbara of 36 million tonnes (29 million tonnes on an attributable basis) was broadly consistent with the fourth quarter of 2008, and represented a 15 per cent decrease on the corresponding quarter of 2008. Total shipments from the Pilbara during the first quarter of 2009 totalled 39 million tonnes, 17 per cent higher than the fourth quarter of 2008, and 9 per cent lower than the comparable quarter of 2008. The Pilbara region experienced prolonged heavy rain during the first quarter of 2009, including two metres of rain across the west and central Pilbara. As a result, production at several mines was suspended or significantly hindered for up to a month. In addition, the mainline rail system was suspended for more than two weeks, preventing any in-loading at the ports. The Robe Valley line remained blocked for six weeks during the first quarter of 2009. Wherever possible, however, the interruptions were exploited to bring forward maintenance or upgrades. The new shiploader at East Intercourse Island was successfully installed during this time. Production at all the Pilbara mines has since recovered to normal levels.

Rio Tinto's share of first quarter 2009 production at the Iron Ore Company of Canada ("**IOC**") was 0.9 million tonnes of concentrate, a fourfold increase on the first quarter of 2008, and one million tonnes of pellets, about half the total of the first quarter of 2008. These figures reflected the effect of a decision in late 2008 to suspend production from two pellet lines, as global demand slumped for premium iron ore products in the wake of the global financial crisis. This action was in line with other iron ore pellet producers who also reduced pellet production in an effort to balance global supply and demand.

During the first quarter of 2009, iron ore capital expenditure of US$568 million (first quarter of 2008: US$469 million) focused on Brockman 4, the finalisation of the Cape Lambert port expansion and Mesa A.

In January 2009, Rio Tinto announced that it had reached agreement to sell the Corumbá iron ore mine in Brazil and the associated river logistics operations in Paraguay for US$750 million subject to receipt of the relevant regulatory approvals. Completion is expected in the second half of 2009.

Rio Tinto Alcan

Rio Tinto Alcan realised an underlying loss of US$481 million in the first quarter of 2009, US$811 million lower than underlying earnings for the first quarter of 2008. The 50 per cent. decline in the average LME aluminium price during the first quarter of 2009 compared with the first quarter of 2008 was the most significant factor, partially offset by the weaker Canadian dollar and the weaker Euro compared with the US dollar.

The LME aluminium price averaged 62 cents per pound in the first quarter of 2009 against 123 cents per pound in the first quarter of 2008. Rio Tinto Alcan's result for the quarter ended 31 March 2009 includes a net write down of inventory values by US$46 million.

There was a significant decrease in sales volumes in all sectors of Alcan Engineered Products and higher production costs leading to an operating loss in the business unit.

First quarter 2009 bauxite production was 19 per cent. lower than the same quarter of 2008 with production at Weipa down 32 per cent., reflecting the deterioration of market conditions and lower demand.

First quarter 2009 alumina production was 2 per cent. lower than the same quarter of 2008. In January 2009, Rio Tinto Alcan announced that production from the Vaudreuil and Gardanne refineries would be curtailed, reducing the annual production rate of alumina by approximately 6 per cent compared with 2008.

First quarter 2009 aluminium production was 6 per cent. lower than the same quarter of 2008. Consistent production volumes at the Canadian smelters was outweighed by production cutbacks in Europe and New Zealand. The ramp-up of the Sohar smelter in Oman continued on schedule with 79,000 tonnes (100 per cent. basis) of metal produced in the quarter. In January 2009, Rio Tinto Alcan announced a further 6 per cent. reduction in annual aluminium production, bringing the total reduction to approximately 11 per cent. on an annualised basis. This reduction included the expected closure of the Beauharnois smelter in Quebec at the end of the second quarter of 2009, the anticipated stoppage of smelting operations at Anglesey Aluminium in September 2009 and the sale of the Ningxia smelter in China for US$125 million, which was completed in January 2009.

Capital expenditure for Rio Tinto Alcan in the first quarter of 2009 was US$548 million (first quarter of 2008: US$536) and included the Alumar expansion, Yarwun 2, Arvida AP50, and the Kitimat modernisation.

Copper and Diamonds

Copper and Diamonds earnings of US$182 million during the first quarter of 2009 were US$679 million lower than the comparable period in 2008. The fall in the average copper price from 350 US cents per pound in the first quarter of 2008 to 154 US cents per pound in the first quarter of 2009; the 74 per cent. decline in the average molybdenum price to US$9 per pound; and lower rough diamond prices reduced earnings by US$756 million in the aggregate. This included a gain of US$49 million due to provisional pricing movements. In addition, there were benefits from exchange rate movements and higher sales volumes at Kennecott Utah Copper and Grasberg, which were partly offset by a significant fall in diamond sales and prices.

First quarter 2009 production of mined copper and gold increased by 67 per cent. and 84 per cent., respectively, at Kennecott Utah Copper compared with the same quarter of 2008. Following a decline in the price of molybdenum, the mining sequence focused on delivery of copper and gold and yielded higher ore grades at Kennecott Utah Copper than in previous quarters. Concentrate grade was also higher during the first quarter of 2009 compared with the first quarter of 2008, with the bulk flotation upgrade at the concentrator continuing to drive improvements in performance. The increase in both concentrate smelted and anodes produced in the first quarter of 2009 compared with the first and fourth quarters of 2008 was primarily due to greater production hours and improved concentrate grade. This resulted in higher cathode and precious metal production at the refinery.

Rio Tinto's share of mined copper at Escondida in the first quarter of 2009 declined by 33 per cent. compared with the first quarter of 2008 due to lower head grades and lower recoveries from a higher clay content in the ore.

Rio Tinto's share of joint venture copper and gold at Grasberg in the first quarter of 2009 was significantly higher than the first quarter of 2008 primarily attributable to higher metal share under the joint venture agreement and improved ore grades.

First quarter 2009 carat production at Argyle was more than double that in the same quarter of 2008 due to the processing of higher grade ore. In January 2009, Rio Tinto announced that the Argyle underground mining project will be slowed to critical development activities and the diamond processing facilities will undergo an extended maintenance shut down of up to three months. This commenced in March 2009.

First quarter 2009 production at Diavik was largely unchanged from the same quarter of 2008. In March 2009, Diavik announced that summer and winter production shutdowns of six weeks each will be implemented. During these shutdowns diamond production will temporarily cease and the mine will be placed on a care and maintenance schedule. Following these measures, Diavik is expected to produce between five and six million carats (100 per cent. basis) of rough diamonds in 2009.

As a result of the global economic downturn, demand for, and the prices of, diamonds declined significantly and adversely impacted the Group's Underlying Earnings during the first quarter of 2009 compared with the same period of 2008.

Capital expenditure in the first quarter of 2009 of US$228 million (first quarter of 2008: US$365 million) reflected the slow down on the Argyle expansion and the underground development at Diavik and sustaining capital expenditure at the copper operations.

Energy and Minerals

Product group earnings of US$1,258 million for the first quarter of 2009 were US$1,017 million higher than in the first quarter of 2008 primarily due to the recognition of a US$797 million profit on disposal of the Potash assets (the sale completed on 5 February 2009 realising cash proceeds of US$850 million). The remaining increase was due to higher prices, particularly at Rio Tinto Coal Australia, and the weaker Australian dollar compared with the US dollar. These factors more than offset the effect of lower coking coal sales at Rio Tinto Coal Australia and lower volumes and pricing at Rio Tinto Iron and Titanium and Rio Tinto Minerals.

Thermal coal contracts for the 2009 fiscal year (annual period commencing 1 April 2009) were settled in the US$70-72 per tonne range, a decrease of approximately 44 per cent on the record levels of the previous year. Coking coal contracts for the 2009 fiscal year were settled in the US$115-130 per tonne range, a decline of approximately 60 per cent on the record levels of the 2008/09 fiscal year.

First quarter 2009 hard coking coal production from the Queensland coal operations increased by 32 per cent., compared with the same quarter of 2008 when heavy rains and consequent flooding disrupted production and transportation, particularly at Hail Creek. Production at Kestrel is expected to fall by 15 per cent. in 2009 in response to the slowdown in the global steel industry.

Wet weather in the Hunter Valley in the first quarter of 2009 adversely impacted production of thermal coal. Lower semi-soft production was a response to weaker market demand. An investment programme by the owners and operators of the coal ports at Newcastle and Dalrymple Bay is expected to result in additional capacity from 2010.

Access to higher grade ores continued at Rössing compared with the first quarter of 2008. Lower head grade and lower mill recovery at ERA led to lower production in the first quarter of 2009.

Minerals production in the first quarter of 2009 continued to be affected by significantly lower demand in line with reduced economic activity across all major regions but prices were higher as a result of reduced supply. In April 2009, QIT announced that it will be implementing a two-month summer shutdown of its ilmenite mine and smelting operations in Canada as a response to the current market uncertainty. At Richards Bay, one of the four furnaces is expected to be out of operation for a period of five months for a planned rebuild. A general decline in production volumes of approximately 14 per cent. across the Rio Tinto Iron and Titanium product portfolio is anticipated in 2009, compared with 2008.

First quarter 2009 capital expenditure of US$238 million (first quarter of 2008: US$320 million) included the Clermont and Kestrel mine developments and the completion of the QMM mineral sands operations in Madagascar.

During the first quarter of 2009, Rio Tinto divested its undeveloped potash assets in Argentina and Canada for $850 million in cash. The profit on disposal of US$797 million is recognised within underlying earnings in the Energy and Minerals product group.

In March 2009, Rio Tinto announced that it had signed a conditional agreement to sell its Jacobs Ranch coal mine in the United States to Arch Coal, Inc. for a total cash consideration of US$761 million. Completion of the transaction remains subject to customary closing conditions, including regulatory approvals. The FTC has recently requested additional information from Rio Tinto in relation to this disposal.

Central Exploration and Evaluation

Central exploration and evaluation costs in the first quarter of 2009 were US$93 million lower than in the first quarter of 2008 as a result of the Group wide initiative to reduce operating costs. The post-tax centrally reported exploration charge is presented net of the gain on disposal of central exploration projects. During the first quarter of 2009 the Group realised US$68 million from the divestment of these projects.

Definitions and glossary

Definitions

Unless the context otherwise requires, the following definitions apply throughout this announcement:

2008 Form 20-F	Rio Tinto's annual report filed on Form 20-F pursuant to the US Securities Exchange Act of 1934 for the financial year ended 31 December 2008
Alcan	Alcan Inc., a company incorporated under the laws of Canada, whose registered office is at 1188 Sherbrooke Street West, Montreal, Quebec H3A 3G2, Canada
ASX or Australian Securities Exchange	ASX Limited (ACN 008624 691) or the financial market operated by that entity (as applicable)
ASX Listing Rules	the official listing rules of ASX
Australia	the Commonwealth of Australia
Australian dollars or A$	the lawful currency of Australia
Australian IFRS	International Financial Reporting Standards, as adopted by Australia
Australian Offer Document	the Offer document in relation to the Rio Tinto Limited Rights Issue to be sent to Rio Tinto Shareholder in Australia and New Zealand
BHP Billiton	BHP Billiton plc and BHP Billiton Limited
Boards	the board of Directors of Rio Tinto plc and/or Rio Tinto Limited as applicable
Chinalco	Aluminum Corporation of China
Corporations Act	the Corporation Act 2001 (Cth)
Co-operation and Implementation Agreement	The co-operation and implementation agreement entered into between Rio Tinto and Chinalco on 12 February 2009.
Corumbá	Minerção Columbaense Reunida
CREST	the system for the paperless settlement of trades in securities and the holding of uncertificated securities operated by Euroclear UK & Ireland Limited in accordance with the CREST Regulations
Directors or Rio Tinto Directors	the Executive Directors and Non-Executive Directors
Disclosure and Transparency Rules	the Disclosure and Transparency Rules made by the FSA pursuant to Part VI of the FSMA, as amended
DLC Sharing Agreement	the DLC Sharing Agreement, as amended from time to time, between Rio Tinto plc and Rio Tinto Limited dated 21 December 1995, that regulates the relationship between Rio Tinto plc and Rio Tinto Limited

Equalisation Ratio	the ratio of the dividend, capital and voting rights per Rio Tinto plc Share to the dividend, capital and voting rights per Rio Tinto Limited Share, which is currently 1:1 as set out in the DLC Sharing Agreement
EU	European Union as established by the Treaty on European Union
EU IFRS	International Financial Reporting Standards, as adopted by the EU
Euroclear UK	Euroclear UK & Ireland Limited
Excluded Territories	Papua New Guinea and Republic of South Africa
Existing Rio Tinto Limited Shares	the ordinary shares in the capital of Rio Tinto Limited in issue as at the relevant date
Existing Rio Tinto plc Shares	the ordinary shares in the capital of Rio Tinto plc in issue as at the relevant date
Existing Shares	the Existing Rio Tinto Limited Shares and the Existing Rio Tinto plc Shares
FSMA	the Financial Services and Markets Act 2000, as amended
Group or Rio Tinto Group	Rio Tinto plc, Rio Tinto Limited, and their respective subsidiaries and subsidiary undertakings and, where the context requires, their respective associated undertakings
IFRS	International Financial Reporting Standards as issued by the International Accounting Standards Board
Joint Sponsors	Credit Suisse Securities (Europe) Limited and J.P. Morgan Cazenove Limited
London Stock Exchange	London Stock Exchange plc
Moody's	Moody's Investor Services
New Rio Tinto Limited Shares	the new Rio Tinto Limited Shares to be issued pursuant to the Rio Tinto Limited Rights Issue
New Rio Tinto plc Shares	the new Rio Tinto plc Shares to be allotted and issued pursuant to the Rio Tinto plc Rights Issue
New Shares	the New Rio Tinto plc Shares and the New Rio Tinto Limited Shares
OECD	Organisation for Economic Cooperation and Development
Official List	the official list of the Financial Services Authority for the purposes of Part VI of the FSMA
Overseas Rio Tinto Limited Shareholder	a Qualifying Rio Tinto Limited Shareholder with a registered address outside Australia and New Zealand
Overseas Rio Tinto plc Shareholder	a Qualifying Rio Tinto plc Shareholder with a registered address outside the UK
Overseas Shareholders	Overseas Rio Tinto plc Shareholders and Overseas Rio Tinto Limited Shareholders

Prospectus	the document in relation to the Rights Issues to be approved by the FSA and made available to the public in accordance with the Prospectus Rules
Prospectus Rules	the rules made by the Financial Services Authority, for the purposes of Part VI of the FSMA in relation to offers of securities to the public and admission of securities to trading on a regulated market
Public Shareholders	the Rio Tinto plc Shareholders and/or Rio Tinto Limited Shareholders, as applicable, other than the members of the Group, and references to publicly-held shares or issued capital should be construed accordingly
QIBs	Qualified Institutional Buyers, as defined in Rule 144A under the US Securities Act
Qualifying CREST Rio Tinto plc Shareholders	Qualifying Rio Tinto plc Shareholders holding Rio Tinto plc Shares in uncertificated form in CREST
Qualifying Non-CREST Rio Tinto plc Shareholders	Qualifying Rio Tinto plc Shareholders holding Rio Tinto plc Shares in certificated form
Qualifying Rio Tinto Limited Shareholder	a person who is a registered holder of Rio Tinto Limited Shares on the Rio Tinto Limited Record Date (subject to the ASTC Settlement Rules)
Qualifying Rio Tinto plc Shareholder	a person who is a registered holder of Rio Tinto plc Shares on the Rio Tinto plc Record Date
Qualifying Shareholders	Qualifying Rio Tinto Limited Shareholders and Qualifying Rio Tinto plc Shareholders
Restricted Territories	Canada, People's Republic of China, Hong Kong SAR, Japan, Singapore and Switzerland
Rights Issues	the Rio Tinto plc Rights Issue and the Rio Tinto Limited Rights Issue
Rio Tinto	Rio Tinto plc and Rio Tinto Limited
Rio Tinto Alcan	The aluminium business of Rio Tinto
Rio Tinto Fully Paid Rights	rights to acquire the New Rio Tinto plc Shares, fully paid
Rio Tinto Limited	Rio Tinto Limited (ABN 96004458404), a company incorporated in Victoria, Australia whose registered office is at 120 Collins Street, Melbourne, 3000, Victoria, Australia
Rio Tinto Limited Entitlement and Acceptance Forms	the entitlement and acceptance forms to be sent to Qualifying Rio Tinto Limited Shareholders, other than Qualifying Rio Tinto Limited Shareholders with registered addresses in the Excluded Territories, the United States or the Restricted Territories, in connection with the Rio Tinto Limited Rights Issue
Rio Tinto Limited Issue Price	A$28.29 per New Rio Tinto Limited Share
Rio Tinto Limited Mailing Record Date	7.00 p.m. (Melbourne time) on 11 June 2009
Rio Tinto Limited Record Date	7.00 p.m. (Melbourne time) on 22 June 2009

Rio Tinto Limited Rights	rights to acquire the New Rio Tinto Limited Shares under the Rio Tinto Limited Rights Issue
Rio Tinto Limited Rights Issue	the proposed 21 for 40 rights issue at A$28.29 per New Rio Tinto Limited Share as announced by the Boards on 6 June 2008.
Rio Tinto Limited Shareholders	holders of Rio Tinto Limited Shares
Rio Tinto Limited Shares	the ordinary shares in the capital of Rio Tinto Limited
Rio Tinto plc	Rio Tinto plc, a company incorporated in England and Wales with company number 719885 whose registered office is at 2 Eastbourne Terrace, London W2 6LG
Rio Tinto plc Ex-Rights Date	8.00 a.m. on 17 June 2009
Rio Tinto plc Issue Price	1,400 pence per New Rio Tinto plc Share
Rio Tinto plc Nil Paid Rights	rights to acquire the New Rio Tinto plc Shares, nil paid
Rio Tinto plc Provisional Allotment Letter	the renounceable provisional allotment letter expected to be sent to the Qualifying Non-CREST Rio Tinto plc Shareholders in respect of the New Rio Tinto plc Shares to be provisionally allotted to them
Rio Tinto plc Record Date	close of business in London on 15 June 2009
Rio Tinto plc Rights Issue	the proposed 21 for 40 rights issue at 1,400 pence per Share by Rio Tinto plc announced by the Boards on 6 June 2008.
Rio Tinto plc Shareholders	holders of Existing Rio Tinto plc Shares
Rio Tinto plc Shares	the ordinary shares of 10 pence each in the capital of Rio Tinto plc
S&P	Standard & Poor's Ratings Services
Shareholders	Rio Tinto plc Shareholders and Rio Tinto Limited Shareholders
Sterling or £	the lawful currency of the United Kingdom
THA	Tinto Holdings Australia Pty Limited
Theoretical Ex-Rights Price	in relation to either Rio Tinto plc or Rio Tinto Limited, as the context may require, the share price immediately prior to the announcement of a rights issue adjusted for (i) the issue of new shares in the rights issue and (ii) the receipt by the relevant issuer of the proceeds
Tier 1	high-quality, long-life, low-cost ore bodies
UK Admission	the admission of the New Rio Tinto plc Shares (nil paid and fully paid) to the Official List becoming effective in accordance with the UK Listing Rules and the admission of such shares (nil paid and fully paid) to trading on the London Stock Exchange's main market for listed securities
UK Listing Rules	the listing rules of the FSA made under Part VI of the FSMA, as amended

Underlying Earnings	the key financial performance indicator which Management uses to assess the Group's performance. It is an additional measure of earnings to provide greater understanding of the underlying business performance of the Group's operations. Items excluded from net earnings to arrive at underlying earnings are explained on page A-18 in the 2008 Form 20-F which is incorporated by reference into this document
Underwriters	in respect of the Rio Tinto plc Rights Issue, means Credit Suisse Securities (Europe) Limited, J.P. Morgan Securities Ltd. and such other banks named therein and, in respect of the Rio Tinto Limited Rights Issue, means Credit Suisse (Australia) Limited, J.P. Morgan Australia Ltd and such other banks named therein
Underwriting Agreement	the underwriting agreement to be entered into between, among others, Rio Tinto plc, Rio Tinto Limited, and the Underwriters
United Kingdom or UK	the United Kingdom of Great Britain and Northern Ireland
United States or US	the United States of America, its territories and possessions, any state of the United States of America and the District of Columbia
US dollars or US$	the lawful currency of the US

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Such forward-looking statements are based on numerous assumptions regarding the Group's present and future business strategies and the environment in which the Group will operate in the future. Among the important factors that could cause the Group's actual results, performance or achievements to differ materially from those in the forward-looking statements include, among others, economic conditions in relevant areas of the world, levels of actual production during any period, levels of demand, market prices and inflation, the ability to produce and transport products profitably, the impact of foreign currency exchange rates on market prices and operating costs, operational problems, political uncertainty, the actions of competitors, activities by governmental authorities such as changes in taxation or regulation and such other risk factors. Forward-looking statements should, therefore, be construed in light of such risk factors and undue reliance should not be placed on forward-looking statements. These forward-looking statements speak only as of the date of this announcement. The Group expressly disclaims any obligation or undertaking (except as required by applicable law, including the UK Listing

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