

Press release

WORLD'S MOST PRECIOUS PINK DIAMONDS DELIVER STRONG RESULT

Unprecedented interest from around the world

PERTH, 27th October, 2008 – Results from Rio Tinto's 24th annual Argyle Pink Diamond Tender have demonstrated a strong market for this truly rare product.

The world's most exclusive diamond sale featured the world's rarest pink diamonds from Rio Tinto's Argyle mine in Australia, with around one hundred key clientele personally viewing the diamonds in Perth, New York, London, Hong Kong, Tokyo and Sydney.

Whilst the company does not release the names and number of successful bidders, nor the prices that were paid, it was happy to comment on the increasing attraction of pink diamonds as an investment option. Josephine Archer, Sales and Marketing Manager of Argyle Pink Diamonds comments, "The Argyle pink diamonds selected for the 2008 Tender attracted substantial interest from an increasing number of investors and is evidence that the increasing rarity of these stones is becoming more valuable and sought after over time."

As well as investors, the diamonds sold at this year's Tender will go to a range of individual diamantaires, jewellery manufacturers and luxury retailers across all major markets. The ultimate consumer for these diamonds is likely to be collectors, celebrities and high net worth individuals.

This year's Pink Diamond Tender contained a record number of round diamonds, including a matching pair, along with the first heart shaped diamond in seven years and three rare violets. This year is also the first year that Rio Tinto has placed reserve prices on the collection, driven by the increasing rarity of these diamonds.

Production of pink diamonds from the Argyle mine will be declining as the mine transitions to an underground operation over the next couple of years and eventually closes in 2018. As Ms Archer explains, "The upper end of this unique product category is akin to that of rare art and, as supply declines, their value is set to escalate accordingly. Given this, and the current turmoil in financial markets around the world, we felt very comfortable introducing a reserve price mechanism."

Commenting on the 2008 Tender, Raj Kandiah, General Manager Argyle Pink Diamonds said, "All the diamonds received a significant level of interest and competition in what can only be described as a difficult economic market. Whilst the pink diamond market is not completely insulated from the current global economic crisis, our Tender results point to a market that recognises both the beauty and the ongoing value of this product."

Rio Tinto also used its Pink Diamond Tender to re-launch the Argyle pink diamond brand and its new distribution strategy. With just over a decade of Argyle production remaining, 15 Authorised Partners have been selected to receive polished pink diamonds directly from the mine, with a number of Select Ateliers chosen to use the brand, but not buy directly from the mine.

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Notes to editors

About Rio Tinto's Argyle Diamond Mine

Rio Tinto's Argyle Diamond mine (100% owned by Rio Tinto), in Australia, is the world's only consistent supplier of rare pink diamonds and provides a large proportion of the world's coloured diamonds. Production commenced in 1983 and at its peak the mine produced more than 40 million carats per annum.

The discovery of the Argyle diamond deposit is one of innovation, patience, foresight and meticulous attention to detail in an area that is remote, even for Australians. The search for diamonds in the Kimberley region began in 1972 with a number of exciting finds proving uneconomic. However, in October 1979 diamonds were found embedded in an ant hill in the East Kimberley region of Western Australia.

In a classic exploration exercise these discoveries were followed up along a creek bed and led to what is known as the AK1 pipe, the remnant of an ancient volcano and the site of the vast Argyle deposit. Today most of the valley floor is occupied by the Argyle open pit. The Argyle Diamond mine is currently transitioning from an open pit mine to an underground mine, which on current estimates will extend its life to 2018.

About Argyle Pink Diamonds

Pink Diamonds, produced at Rio Tinto's Argyle Mine in Western Australia, are highly coveted as the world's most sought after gems. The Argyle Diamond mine produces more than 90 per cent of the world's pink diamonds, which are sold in a broad range of colours

and sizes to an international customer base. The best stones are reserved for the annual Pink Diamond Tender. Rio Tinto's Argyle Pink Diamonds business is located in Perth, Western Australia, alongside its cutting and polishing factory.

Pink diamonds' value is directly related to their rarity. For every coloured diamond, there exists at least 10,000 colourless ones because the physical conditions needed to colour a diamond naturally occur very scarcely.

It has long been a mystery and the subject of ongoing debate of how the pink diamonds are formed. It is now generally accepted that the pink colour is derived from a distortion in the molecular structure of the diamond, following formation in the earth's mantle or during their ascent to the earth's surface. This process is referred to as plastic deformation and the degree of the distortion in the structure impacts on the way it reflects light and the resulting colour.

Rio Tinto's Argyle mine occupies the traditional land of the Gidja and Mirriuwong speaking people and neighbouring language groups who have a very different view on how the Argyle diamonds became coloured. The Aboriginal people believe that the Argyle mine was created when three women were trying to trap a barramundi fish, however the barramundi was too clever and jumped through the net and landed at the site where the mine was established. It is believed that the colours of the diamonds come from different parts of the barramundi as the fish wiggled through the net, with the pink diamonds coming from the heart of the barramundi.

Website: www.argylediamonds.com.au

About Rio Tinto Diamonds

Rio Tinto is one of the world's major diamond producers through its 100 per cent control of the Argyle mine in Australia, 60 per cent of the Diavik mine in Canada and a 78 per cent interest in the Murowa mine in Africa.

These three mines allow Rio Tinto to be present in all segments of the market. Rio Tinto's share of the production from these three mines was approximately US\$1billion in 2007 and sold through its Diamonds Sales and Marketing headquarters in Antwerp, Belgium.

Rio Tinto Diamonds is a leading supporter of the Kimberley Process as well as a founding member of the Council for Responsible Jewellery Practices.

Website: www.riotintodiamonds.com

About Rio Tinto

Rio Tinto is a leading international mining group headquartered in the UK, combining Rio Tinto plc, a London and NYSE listed company, and Rio Tinto Limited, which is listed on the Australian Securities Exchange.

Rio Tinto's business is finding, mining, and processing mineral resources. Major products are aluminium, copper, diamonds, energy (coal and uranium), gold, industrial minerals (borax, titanium dioxide, salt, talc) and iron ore. Activities span the world but are strongly represented in Australia and North America with significant businesses in South America, Asia, Europe and southern Africa.

Website: www.riotinto.com