

Rio Tinto to reduce gross debt by \$1.5 billion through its tender offers

5 May 2016

Rio Tinto will reduce its near term maturing gross debt by \$1.5 billion after accepting for purchase a total of \$141 million of debt under its Dutch Auction Offer and \$1.359 billion under its Any and All Offer.

The final aggregate principal amount of Securities purchased under the Any and All Offer that expired on 27 April 2016 was \$1.359 billion, including the guaranteed delivery procedures described in the Offer to Purchase.

The Dutch Auction Offer, which commenced on 21 April 2016 and will expire on 18 May 2016, was oversubscribed at 5pm, New York City time, on 4 May 2016 and therefore only \$141 million of Dutch Auction Securities will be purchased. No Dutch Auction Securities tendered after the above time will be accepted.

\$80.2 million in aggregate principal amount of Rio Tinto Finance (USA) Limited 6.500 per cent Notes due 2018 will be purchased and \$60.5 million in aggregate principal amount of Rio Tinto Finance (USA) plc 2.250 per cent Notes due 2018 will be purchased, pursuant to the Dutch Auction Offer. The Dutch Auction Securities purchased will be retired and cancelled and no longer remain outstanding.

The Clearing Premium has been calculated in accordance with the methodology described in the Offer to Purchase and is 30 basis points. The Base Spread less the Clearing Premium is 90 basis points.

Title of Security	CUSIP/ISIN	Principal Amount to be Purchased	Base Spread (bps)	Clearing Premium (bps)	Base Spread less Clearing Premium (bps)
6.500% Notes due 2018	767201AC0/ US767201AC07	\$80,198,000	120	30	90
2.250% Notes due 2018	76720AAM8/ US76720AAM80	\$60,477,000	120	30	90

Dutch Auction Securities validly tendered with a Bid Premium that is equal to the Clearing Premium have been accepted for purchase on a prorated basis in the manner described in the Offer to Purchase using a proration factor of 30.12 per cent. All Dutch Auction Securities not accepted as a result of proration and all tenders of Dutch Auction Securities with a Bid Premium in excess of the Clearing Premium have been rejected from the Dutch Auction Offer.

The Reference Yield and the Dutch Auction Total Consideration for each series of the Dutch Auction Securities will be determined on 5 May 2016 at 11am, New York City time, using the methodology described in the Offer to Purchase. The settlement date for the Dutch Auction Securities to be purchased is expected to be 6 May 2016.

Capitalized terms in this announcement have the same meaning as assigned to them in the Offer to Purchase dated 21 April 2016.

The Lead Dealer Managers for the offers are Merrill Lynch, Pierce, Fenner & Smith Incorporated and RBC Capital Markets, LLC. The Co-Dealer Managers are BMO Capital Markets Corp., CIBC World Markets Corp., nabSecurities, LLC and TD Securities (USA) LLC.



Questions regarding the Dutch Auction Offers may be directed to:

**Merrill Lynch, Pierce, Fenner & Smith
Incorporated**

US Toll Free: 1 (888) 292-0070

US Collect: 1 (980) 387-3907

London: +44-20-7996-1103

RBC Capital Markets, LLC

US Toll Free: 1 (877) 381-2099

US Collect: 1 (212) 618-7822

London: +44-20-7029-7063

Copies of the Offer to Purchase may be obtained from the Depository and Information Agent, Global Bondholder Services Corporation at +1 (866) 470 3800 (toll-free) or +1 (212) 430 3774 (collect) or in writing at 65 Broadway, Suite 404, New York, New York 10006.

Contacts

media.enquiries@riotinto.com

www.riotinto.com



Follow @RioTinto on Twitter

Media Relations, EMEA/Americas

Illtud Harri

T +44 20 7781 1152

M +44 7920 503 600

David Outhwaite

T +44 20 7781 1623

M +44 7787 597 493

David Luff

T + 44 20 7781 1177

M + 44 7780 226 422

Investor Relations, EMEA/Americas

John Smelt

T +44 20 7781 1654

M +44 7879 642 675

David Ovington

T +44 20 7781 2051

M +44 7920 010 978

Grant Donald

T +44 20 7781 1262

M +44 7920 587 805

Media Relations, Australia/Asia

Ben Mitchell

T +61 3 9283 3620

M +61 419 850 212

Bruce Tobin

T +61 3 9283 3612

M +61 419 103 454

Matthew Klar

T +61 7 3625 4244

M +61 457 525 578

Investor Relations, Australia/Asia

Natalie Worley

T +61 3 9283 3063

M +61 409 210 462

Rachel Storrs

T +61 3 9283 3628

M +61 417 401 018

Rio Tinto plc

6 St James's Square
London SW1Y 4AD
United Kingdom

T +44 20 7781 2000

Registered in England

No. 719885

Rio Tinto Limited

120 Collins Street
Melbourne 3000
Australia

T +61 3 9283 3333

Registered in Australia

ABN 96 004 458 404

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This announcement and the Offer to Purchase do not constitute an offer or an invitation to participate in the Offers in any jurisdiction in which, or to any person to or from whom, it is unlawful to make such offer or invitation or for there to be such participation under applicable laws. The distribution of this announcement and the Offer to Purchase in certain jurisdictions may be restricted by law. Persons into whose possession this announcement or the Offer to Purchase comes are required by each of the Companies, the Guarantors, the Dealer Managers the Depositary and the Information Agent to inform themselves about and to observe any such restrictions.

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the admission to trading of placement instruments on regulated markets, acting on their own account or (ii) in any circumstances set out in Article 6, § 4 of the Belgian Takeover Law. This announcement and the Offer to Purchase have been issued only for the personal use of the above qualified investors and exclusively for the purpose of the Offers. Accordingly, the information contained in this announcement and the Offer to Purchase may not be used for any other purposes or disclosed to any other person in Belgium.

France

The Offers are not being made, directly or indirectly, to the public in France. None of this announcement, the Offer to Purchase nor any other documents or offering materials relating to the Offers in respect of each Series of Securities have been or shall be distributed to the public in France and only (i) providers of investment services relating to portfolio management for the account of third parties (personnes fournissant le service d'investissement de gestion de portefeuille pour compte de tiers) and/or (ii) qualified investors (investisseurs qualifiés), all as defined in, and in accordance with, Articles L.411-1, L.411-2 and D.411-1 to D.411-3 of the French Code monétaire et financier, are eligible to participate in the Offers. Neither this announcement nor the Offer to Purchase has been submitted to the clearance procedures (visa) of the Autorité des marchés financiers.

Italy

None of this announcement, the Offer to Purchase nor any other documents or materials relating to the Offers have been or will be submitted to the clearance procedure of the Commissione Nazionale per le Società e la Borsa ("CONSOB") pursuant to Italian laws and regulations.

The Offers are being carried out in the Republic of Italy as exempted offers pursuant to article 101-bis, paragraph 3-bis of the Legislative Decree No. 58 of 24 February 1998, as amended (the "Financial Services Act") and article 35-bis, paragraph 4 of CONSOB Regulation No. 11971 of 14 May 1999, as amended (the "Issuers' Regulation"). The Offers are also being carried out in compliance with article 35-bis, paragraph 7 of the Issuers' Regulation.

A holder of Securities located in the Republic of Italy can tender Securities through authorized persons (such as investment firms, banks or financial intermediaries permitted to conduct such activities in the Republic of Italy in accordance with the Financial Services Act, CONSOB Regulation No. 16190 of 29 October 2007, as amended from time to time, and Legislative Decree No. 385 of September 1, 1993, as amended) and in compliance with applicable laws and regulations or with requirements imposed by CONSOB or any other Italian authority.

Each intermediary must comply with the applicable laws and regulations concerning information duties vis-à-vis its clients in connection with the Securities or the Offers.

General

Neither this announcement nor the Offer to Purchase constitutes an offer to buy or a solicitation of an offer to sell Securities, and tenders of Securities in the Offers will not be accepted from Holders, in any jurisdiction in which such offer or solicitation is unlawful. In those jurisdictions where the securities, blue sky or other laws require an Offer to be made by a licensed broker or dealer and a Dealer Manager or its affiliate is such a licensed broker or dealer in such jurisdictions, the Offer shall be deemed to be made on behalf of the relevant Company by such Dealer Manager or such affiliate, as the case may be, and no Offer is made in any such jurisdiction where the relevant Dealer Manager or its affiliate is not so licensed.