

Rio Tinto to reduce gross debt by \$3 billion through its June tender offers

21 June 2016

Rio Tinto will reduce its gross debt by a further \$3 billion after accepting for purchase a total of \$1.252 billion of debt under its Maximum Tender Offer and \$1.748 billion under its Any and All Offer. Both offers commenced on 7 June 2016 and are part of Rio Tinto's ongoing capital management.

The final aggregate principal amount of Securities purchased under the Any and All Offer that expired on 13 June 2016 was \$1.748 billion, including the notes purchased under the guaranteed delivery procedures described in the Offer to Purchase.

The Maximum Tender Offer, which commenced on 7 June 2016 and will expire on 5 July 2016, was oversubscribed at 5pm, New York City time, on 20 June 2016 and therefore \$1.252 billion of Maximum Tender Securities will be purchased. No Maximum Tender Securities tendered after the above time will be accepted.

The following notes will be purchased pursuant to the Maximum Tender Offer: \$487.6 million in aggregate principal amount of Rio Tinto Finance (USA) Limited 3.500 per cent Notes due 2020, \$337.9 million in aggregate principal amount of Rio Tinto Finance (USA) Limited 4.125 per cent Notes due 2021, \$400.8 million in aggregate principal amount of Rio Tinto Finance (USA) Limited 3.750 per cent Notes due 2021, \$11.5 million in aggregate principal amount of Rio Tinto Finance (USA) plc 3.500 per cent Notes due 2022 and \$14.6 million in aggregate principal amount of Rio Tinto Finance (USA) plc 2.875 per cent Notes due 2022. The Maximum Tender Securities purchased will be retired and cancelled and no longer remain outstanding.

<u>Title of Security</u>	<u>Issuer and Offeror</u>	<u>CUSIP/ISIN</u>	<u>Acceptance Priority Level</u>	<u>Principal Amount to be Repurchased</u>
3.500% Notes due 2020	Rio Tinto Finance (USA) Limited	767201AK2/ US767201AK23	1	\$487,611,000
4.125% Notes due 2021	Rio Tinto Finance (USA) Limited	767201AN6/ US767201AN61	2	\$337,878,000
3.750% Notes due 2021	Rio Tinto Finance (USA) Limited	767201AQ9/ US767201AQ92	2	\$400,789,000
3.500% Notes due 2022	Rio Tinto Finance (USA) plc	76720AAC0/ US76720AAC09	3	\$11,528,000
2.875% Notes due 2022	Rio Tinto Finance (USA) plc	76720AAF3/ US76720AAF30	3	\$14,551,000

Subject to the terms of the Maximum Tender Offer, all Maximum Tender Securities validly tendered and not validly withdrawn at or prior to the Maximum Tender Early Tender Deadline with an Acceptance Priority Level higher than three have been accepted for purchase. Subject to the terms of the Maximum Tender Offer, Maximum Tender Securities validly tendered and not validly withdrawn at or prior to the Maximum Tender Early Tender Deadline with Acceptance Priority Level three have been prorated using a proration factor of approximately 3.20 per cent. All Maximum Tender Securities not accepted as a result of proration have been rejected from the Maximum Tender Offer. No Maximum Tender Securities tendered after the Maximum Tender Early Tender Deadline have been or will be accepted for purchase.

The Reference Yield and the Maximum Tender Total Consideration for each series of the Maximum Tender Securities will be determined on 21 June 2016 at 11am, New York City time, using the methodology described in the Offer to Purchase. The settlement date for the Maximum Tender Securities to be purchased is expected to be 22 June 2016.

Capitalised terms in this announcement have the same meaning as assigned to them in the Offer to Purchase dated 7 June 2016.

The Lead Dealer Managers for the offers are Citigroup Global Markets Limited, HSBC Securities (USA) Inc., J.P. Morgan Securities LLC and Mitsubishi UFJ Securities (USA), Inc. The Co-Dealer Managers are Natixis Securities Americas LLC, RBS Securities Inc., Santander Investment Securities Inc. and Standard Chartered Bank. Questions regarding the offers may be directed to:

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HSBC Securities (USA) Inc.

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J.P. Morgan Securities LLC

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Collect: +1 (212) 834 3424

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Mitsubishi UFJ Securities (USA), Inc.

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Copies of the Offer to Purchase may be obtained from the Depositary 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.

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Belgium

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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.