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## Press release

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### **World's most precious pink diamonds go on sale**

#### **Rio Tinto's pink diamonds prepare for the world stage**

PERTH, August 25, 2008 – Sixty-five of Western Australia's illustrious pink diamonds will feature in this year's Rio Tinto Diamonds Argyle Pink Diamond Tender - an international showcase of the rarest diamonds in the world starting in Perth this week.

The precious pink diamonds, which originate from Rio Tinto's Argyle Diamond Mine in the East Kimberley, are in a class of their own. This is Argyle's 24th Tender and, according to Raj Kandiah, General Manager of Argyle Pink Diamonds, international bidding for this rare collection will be intense.

"This year's Tender promises to be one of the most exciting to date with the collection featuring, for the first time in seven years, a captivating heart shaped pink diamond. There are also a number of highly sought after Purplish Reds, Intense and Vivid Pinks and three rare Violets".

Mr Kandiah said the pink diamond jewellery market was now worth hundreds of millions of dollars and demand for these exceptional gems had generated a cadre of elite and discreet connoisseurs.

Pink diamonds are worth approximately 20 times the cost of the same size white diamond. However, the sky is the limit when it comes to Rio Tinto's Argyle Signature Stones – each diamond is so unique that it warrants an individual price tag.

Argyle's Chief Operating Officer, Kevin McLeish, said the East Kimberley mine is the world's only reliable source of rare pink diamonds, which are dated at approximately 1.6 billion years old.

Mr McLeish paid tribute to the Traditional Owners of the Argyle lease area and the strong relationships built with Argyle. He said the annual Pink Tender was not only a showcase of spectacular stones but a result of excellent collaboration and teamwork of all the Argyle team.

“Even those who have worked with diamonds for many years will tell you that unearthing a pink diamond is a special event. Each Argyle pink diamond is one of a kind, with its own story to tell. “

Excitement around the Pink Diamond Tender is understandable. This much anticipated event is growing in importance for connoisseurs of the rare and exquisite. With Argyle mine supply currently predicted to run out by 2018, the rarity and exclusivity of these diamonds has enhanced their image as a key investment option.

“To put the rarity of the Argyle’s pink diamonds into perspective, the mine produces on average 30 million carats of rough diamonds a year,” he said.

“From Argyle’s annual production, only about 10,000 carats of polished pink diamonds are produced and from these, a mere 65 carats are selected for sale in the Pink Diamond Tender.”

Mr McLeish said the current expansion project to develop an underground mine at Argyle was on track and that the processing of Pink Tender diamonds would remain a Western Australian based business.

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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.

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's 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](http://www.argylediamonds.com.au)

### About Rio Tinto's Diamond Business

Rio Tinto has a global diamond exploration portfolio encompassing six continents and including projects in Canada, India, southern and western Africa, Brazil, Russia and Australia.

Currently, 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 Rio Tinto Diamonds NV in Antwerp, Belgium.

Rio Tinto Diamonds NV is the sales and marketing division representing the diamond mines of the Rio Tinto Group. Rio Tinto Diamonds NV 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](http://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](http://www.riotinto.com)