

New Diamond Entity Established - June 2002

Rio Tinto's diamond interests, which now consist primarily of Argyle Diamonds in Australia, are set to grow through the development of the Diavik project in Canada.

Rio Tinto is the majority shareholder (60%) and manager of the Diavik project in Canada's North West Territories. Diavik is expected to have a twenty year life and is scheduled to produce 7 million carats at its peak.

Taken together, the Argyle and Diavik mines represent more than a US\$1Billion investment in diamonds. In recognition of this, a new business, Rio Tinto Diamonds has been established in Antwerp, Belgium to provide a sales and marketing service to Argyle, Diavik and any future diamond mines in the Rio Tinto group. Rio Tinto Diamonds will make use of the personnel and systems of the long standing Argyle offices in Antwerp and Mumbai.

Trading will commence under the Rio Tinto Diamonds banner from June 17, 2002.

Diavik Web site- www.diavik.com