

Headnote

Mutual Reliance Review System for Exemptive Relief Applications -- Issuer bid by Australian corporation that is not a reporting issuer in any jurisdiction of Canada -- bid made in compliance with applicable Australian laws -- 44 registered and 57 unregistered shareholders in Canada holding less than 0.6703% of the outstanding shares -- corporation exempted from issuer bid requirements, subject to conditions.

Applicable Ontario Statutes

Securities Act, R.S.O. 1990, c. S.5, as am., ss. 95, 96, 97, 98, and 104(2)(c).

Recognition Orders Cited

In the Matter of the Recognition of Certain Jurisdictions Recognition Order (Clauses 93(1)(e) and 93(3)(h) of Act) (1997), 20 OSCB 1035.

April 11, 2005

**IN THE MATTER OF
THE SECURITIES LEGISLATION
OF BRITISH COLUMBIA, ALBERTA, SASKATCHEWAN, MANITOBA, ONTARIO
QUÉBEC, NEW BRUNSWICK AND NOVA SCOTIA (the Jurisdictions)**

AND

**IN THE MATTER OF
THE MUTUAL RELIANCE REVIEW SYSTEM
FOR EXEMPTIVE RELIEF APPLICATIONS**

AND

**IN THE MATTER OF
RIO TINTO LIMITED (RTL or the Filer)**

MRRS DECISION DOCUMENT

Background

The local securities regulatory authority or regulator (the Decision Maker) in each of the Jurisdictions has received an application from RTL for a decision under the securities legislation of the Jurisdictions (the Legislation) that the formal requirements relating to an issuer bid contained in the Legislation, including the provisions relating to delivery of an offer and issuer bid circular and any notices of change or variation thereto, minimum deposit periods and withdrawal rights, take-up of and payment for securities tendered to the issuer bid and disclosure

(collectively, the Issuer Bid Requirements), do not apply to the Offer (as defined below) (the Requested Relief).

Under the Mutual Reliance Review System for Exemptive Relief Applications:

(a) the Ontario Securities Commission is the principal regulator for this application, and

(b) the MRRS decision document evidences the decision of each Decision Maker.

Interpretation

Defined terms contained in National Instrument 14-101 Definitions have the same meaning in this decision unless they are defined in this decision.

Representations

This decision is based on the following facts represented by the Filer:

1. RTL is a corporation incorporated under the laws of Victoria, Australia. RTL, with Rio Tinto plc (RTP), is part of a dual listed company structure, referred to as the Rio Tinto Group (Rio Tinto). While Rio Tinto operates as a single economic entity, both RTL and RTP remain legal entities with separate share listings and registers.
2. RTL is a listed corporation under the laws of Australia and is also subject to the reporting requirements of the federal securities laws of the United States as a foreign private issuer.
3. As at January 4, 2005, RTL's issued and outstanding capital consisted of 499,259,220 ordinary shares (the Shares).
4. RTL is not a reporting issuer in any jurisdiction of Canada.
5. The Shares are listed on the Australian Stock Exchange and the New Zealand Stock Exchange. The Shares are not listed on any Canadian stock exchange.
6. On February 3, 2005, Rio Tinto announced an intention to return up to US\$1.5 billion of capital to shareholders during the course of 2005 and 2006, subject to market conditions. As part of this capital management programme, Rio Tinto indicated its intention to seek shareholder approval, to make off-market buy-backs of Shares during the next 12 months under one or more off-market tender buy-back schemes.
7. Under the dual listed company structure RTL has with RTP, the off-market tender buy-back scheme(s) will require shareholder approval by both the shareholders of RTL and RTP.

8. Broadly, RTL is targeting to repurchase the equivalent of approximately A\$400-500 million of capital under the off-market tender buy-back scheme(s), but the ultimate size of the buy-back will be dependent on shareholder demand and market conditions at the time.

9. Each off-market buy-back tender (each, an Offer) to acquire the Shares, and any amendments to such Offer will be made in accordance with the corporate and securities laws of Australia and will be effected by way of a bid circular (the Offering Document). For each Offer, the Offering Document will comprise a booklet containing the complete terms of the buy-back tender and will be sent to eligible shareholders of RTL.

10. Under the tender process, shareholders will be invited to tender a number of their Shares, as specified by them, at any of the specified prices within a set price range. It is currently expected that the price range will be a range of discounts set by RTL to the then prevailing market price. The tenders will need to be submitted within a specified tender period, subject to extension by RTL. The market price will be the volume weighted average price for the Shares over the five day period ending on the close of the tender period.

11. It is intended that the Offer will be a pro rata invitation to all shareholders of RTL to make an offer to sell up to 100% of their Shares, provided that shareholders resident in particular jurisdictions may not be able to participate if, pursuant to the laws of those jurisdictions, the Offer is not permitted to be conducted in accordance with the laws of Australia. Participation by RTL shareholders will be voluntary so that shareholders not wishing to participate in the Offer will not be required to take any action to retain their Shares.

12. The number of Shares which RTL will buy back, if any, and the final price that will apply to the Shares bought back will, if RTL proceeds with the issuer bid, be determined by the directors of RTL after all tenders have been received and will depend upon the number of Shares tendered at the relevant tender prices.

13. Only Shares tendered at or below the final buy back price set by RTL will be bought back under the Offer. All shareholders whose tenders are successful will receive the same consideration per Share. However, it is possible that, if the Offer is over-subscribed at the nominated final price determined by RTL, there will be a scale back of the number of Shares to be bought back from shareholders who tendered their Shares at or below the final buy-back price, as determined by the Directors of RTL. Such scale-back is expected to be done on a pro-rata basis although some preference for redeeming odd-lot holders may be made.

14. In accordance with Australian law, Shares bought back will be cancelled immediately upon transfer to RTL.

15. Based upon the list of registered shareholders and inquiries made with various intermediaries, RTL believes that there are:

Jurisdiction	Number of Registered Shareholders	Number of Unregistered Shareholders	Aggregate Number of Shares Held	Approximate % of Shares Outstanding
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British Columbia	16	2	382,641	0.08
Alberta	4	3	68,618	0.01
Saskatchewan	1	0	85	0.0001
Manitoba	1	2	848,425	0.17
Ontario	16	46	1,622,339	0.32
Quebec	4	4	427,246	0.09
New Brunswick	1	0	598	0.0001
Nova Scotia	1	0	539	0.0001
Total	44	57	3,350,491	0.6703

16. RTL cannot rely on the de minimus exemption from the Issuer Bid Requirements because the Decision Makers have not recognized Australia for this purpose in the Legislation.

17. The Offer will be made on the same terms and conditions to Canadian shareholders and to shareholders resident in Australia, including offering identical consideration.

18. The Offering Document and all other material relating to the Offer that will be sent by RTL to shareholders resident in Australia, including any amendments thereto, will be sent concurrently to Canadian shareholders and filed with the Decision Makers.

Decision

Each of the Decision Makers is satisfied that the test contained in the Legislation that provides the Decision Maker with the jurisdiction to make the decision has been met.

The decision of the Decision Makers under the Legislation is that the Requested Relief is granted provided that:

1. the Offer, and any amendments thereto, is made in compliance with applicable Australian laws; and
2. all materials relating to the Offer and any amendments thereto which are sent by or on behalf of the Filer to holders of Shares in Australia are concurrently sent to Canadian holders of Shares and copies thereof are concurrently filed with the Decision maker in each Jurisdiction.

"Wendell S. Wigle"

Ontario Securities Commission

" Paul K. Bates"

Ontario Securities Commission