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Company Announcements Office
Australian Securities Exchange
SYDNEY NSW 2000

10 January 2011

Off-market takeover bid for Riversdale Mining Limited

In accordance with item 5 of section 633(1) of the *Corporations Act 2001* (Cth), please find attached a copy of the bidder's statement in relation to the off-market takeover bid by Rio Tinto Jersey Holdings 2010 Limited (a wholly-owned subsidiary of the Rio Tinto Group) for all the ordinary shares in Riversdale Mining Limited (**Riversdale**), including the acceptance forms (the terms of which form part of the offer terms) (**Bidder's Statement**).

The Bidder's Statement was lodged with the Australian Securities and Investments Commission and sent to Riversdale earlier today.

Yours faithfully



Stephen Consedine
Company secretary

Bidder's Statement

For Recommended Cash Offer by

Rio Tinto Jersey Holdings 2010 Limited

ARBN 148 135 844 (a company incorporated in Jersey)

a wholly owned subsidiary of

Rio Tinto plc

(a company incorporated in England)

to acquire all your ordinary shares in

Riversdale Mining Limited

ABN 53 006 031 161

for \$16 cash per share

**Riversdale's board of Directors
recommends you accept this
Offer, in the absence of a superior
proposal**

The Offer is dated [insert date] and expires at 7.00pm Sydney, Australia time on [insert date], unless withdrawn or extended.

This is an important document and requires your immediate attention

If you are in doubt as to how to deal with this document or the Offer contained in it, please consult your financial or other professional adviser.

Financial Adviser



MACQUARIE

Legal Adviser

MinterEllison

LAWYERS

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Key Dates

Announcement Date	23 December 2010
Bidder's Statement lodged with ASIC	10 January 2011
Date Offer is made	[XX]
Offer ends, unless extended or withdrawn	7.00pm Sydney, Australia time on [XX]

Important Information

This Bidder's Statement is dated 10 January 2011. It includes an Offer dated [XX].

A copy of this Bidder's Statement was lodged with ASIC on 10 January 2011. ASIC takes no responsibility for the content of this Bidder's Statement.

Defined terms

Defined terms in this Bidder's Statement and accompanying material are capitalised. The defined terms are defined in Part 3 of this Bidder's Statement.

All amounts are in Australian dollars unless otherwise stated.

Investment decisions

This document contains general advice only and does not take into account the individual investment objectives, financial situation or particular needs of each Riversdale Shareholder or any other person.

Riversdale Shareholders may wish to seek independent financial and taxation advice before deciding whether to accept the Offer.

Forward looking statements

This Bidder's Statement may include certain forward looking statements which have been based on current expectations about future events. These forward looking statements are, however,

subject to risks, uncertainties and assumptions that could cause actual results to differ materially from the expectations described in such forward looking statements. These factors include matters not yet known to RTJ or not currently considered by RTJ to be material.

None of Rio Tinto, RTJ or Rio Tinto's officers and employees, any persons named in this Bidder's Statement with their consent or any person involved in the preparation of this Bidder's Statement makes any representation or warranty (expressed or implied) as to the accuracy or likelihood of fulfilment of any forward looking statement, except to the extent required by law. You are cautioned not to place undue reliance on any forward looking statement. The forward looking statements in this Bidder's Statement reflect the views held only as at the date of this Bidder's Statement.

Foreign jurisdictions

The distribution of this document and the making of the Offers may, in certain jurisdictions, be restricted by law. The Offers are not being made, directly or indirectly, in or into, and will not be capable of acceptance from within, any jurisdiction in which

the making of the Offers or the acceptance thereof would not be in compliance with the laws of that jurisdiction. Persons who come into possession of this document should inform themselves of and observe any of these restrictions. Any failure to comply with these restrictions may constitute a violation of the securities laws of any of these jurisdictions. Neither Rio Tinto nor RTJ assumes any responsibility for any violation by any person of any of these restrictions.

Privacy statement

RTJ will collect personal information about Riversdale Shareholders' holdings of Riversdale Shares in accordance with the Corporations Act. RTJ will share that personal information with its advisers and service providers only to the extent necessary for purposes relating to the Offer. Under the *Privacy Act 1988* (Cth), Riversdale Shareholders may request access to personal information about them held by RTJ and its agents. Riversdale Shareholders can contact RTJ's share registry, Computershare Investor Services Pty Limited, on 1300 850 505, if they have questions about their personal information.

Letter to Riversdale Shareholders

10 January 2011

Dear Riversdale Shareholder,

Recommended cash takeover bid for Riversdale

I am pleased to provide you with this attractive Offer to acquire all of your shares in Riversdale Mining Limited (**Riversdale**). Rio Tinto, through Rio Tinto Jersey Holdings 2010 Limited (**RTJ**), is offering \$16 cash for each Riversdale Share that you own (the **Offer**).

The Riversdale Directors¹ have recommended that you accept the Offer in the absence of a superior proposal and have indicated they intend to accept the Offer for shares in Riversdale they control, in the absence of a superior offer.

Rio Tinto has secured pre-bid agreements in relation to approximately 14.9% of Riversdale's current shares on issue. Pre-bid call option agreements have been entered into with a number of Riversdale's institutional shareholders as well as Michael O'Keeffe (Riversdale's Executive Chairman), Steve Mallyon (Riversdale's Managing Director) and Niall Lenahan (Riversdale's Chief Financial Officer).

The Offer of \$16 per Riversdale Share represents a substantial premium to Riversdale's trading prices prior to Riversdale's announcement on 6 December 2010 of discussions regarding a possible corporate transaction involving Riversdale and Rio Tinto. Up to and including 3 December 2010 (the last unaffected trading day prior to the relevant announcement), the Offer represents a:

- 23.9% premium to the 1 month VWAP of Riversdale Shares on ASX;
- 34.6% premium to the 2 month VWAP of Riversdale Shares on ASX; and
- 39.3% premium to the 3 month VWAP of Riversdale Shares on ASX.

The Offer is subject to a number of conditions, including RTJ acquiring a relevant interest in excess of 50% in Riversdale and FIRB approval. The full list of Conditions is outlined in clause 7.1 of Part 2 of this Bidder's Statement.

Rio Tinto's extensive experience in infrastructure and large project development, combined with our significant financial capacity and commitment to sustainable development, means that we are well placed to take Riversdale's asset base through its next phase of development. We believe Rio Tinto is one of the few groups in the world with the capabilities, values and incentives to develop the projects quickly and to a world-class standard, bringing considerable benefit to the people of Mozambique.

I strongly recommend you read this Bidder's Statement carefully and encourage you to accept the Offer for the reasons outlined herein.

Instructions on how to accept the Offer are set out on page 6 of this Bidder's Statement and in the Acceptance Form that accompanies this Bidder's Statement. If you have any further questions, please contact the offer information line on 1800 102 639 (callers within Australia) or +61 3 9415 4878 (callers outside Australia), or consult your financial or other professional adviser.

The Offer is scheduled to close at 7.00pm Sydney time on [\[X February 2011\]](#).

Thank you for your consideration of this Offer. We look forward to receiving your acceptance.

Yours sincerely,



Doug Ritchie
Chief Executive Energy
Rio Tinto

¹ Mr NK Misra, who is the Vice President and Group Head (Mergers and Acquisitions) for Tata Steel and a member of the Riversdale board, abstained from voting on Riversdale's board resolution to announce and recommend the Offer in the absence of a superior proposal. Tata Steel is Riversdale's largest shareholder. See also page 4.

Summary of the Offer and how to accept

This summary gives an overview of the Offer. Part 2 of the Bidder's Statement contains the full terms and conditions of the Offer. You should read the Bidder's Statement and the Target's Statement in full before deciding whether to accept the Offer.

The bidder	RTJ, which is a wholly owned subsidiary of Rio Tinto plc.															
The Offer	RTJ is offering to acquire all Riversdale Shares of which you are the registered holder. ² The Offer also extends to any Riversdale Shares issued on the conversion of, or the exercise of rights attached to, Riversdale Options, Riversdale Share Appreciation Rights or Riversdale Share Rights before the end of the Offer Period.															
Offer Price	\$16 cash for each Riversdale Share.															
How to accept	<p>Your acceptance must be received before the end of the Offer Period (7.00pm Sydney, Australia time on insert date), unless the Offer Period is extended). Depending on the nature of your holding, you may accept the Offer in the following ways.</p> <p>CHES Holding</p> <p>If your Riversdale Shares are in a CHES Holding:</p> <ul style="list-style-type: none"> • instruct your Controlling Participant to initiate acceptance of the Offer; or • complete the enclosed Acceptance Form in accordance with the instructions on the form and send it in the enclosed reply paid envelope to the address below, so it is received before the Offer closes. <p>Participant</p> <p>If you are a Participant, initiate acceptance of the Offer in accordance with the ASX Settlement Operating Rules.</p> <p>Issuer Sponsored Holding</p> <p>If your Riversdale Shares are in an Issuer Sponsored Holding:</p> <ul style="list-style-type: none"> • complete the enclosed Acceptance Form in accordance with the instructions on the form; and • send it with your Riversdale Share certificates (if any) and all other documents required by the instructions on the Acceptance Form in the enclosed reply paid envelope to the address below, so it is received before the Offer closes. <p>You will only be sent one Acceptance Form with this Bidder's Statement, depending on whether your Riversdale Shares are in a CHES Holding or in an Issuer Sponsored Holding. That will be the Acceptance Form to be used in relation to your Riversdale Shares. For full details, see clause 3 of Part 2 of this Bidder's Statement.</p>															
Send your Acceptance Form	<p>Send your Acceptance Form and other documents (if any) required by the instructions on the Acceptance Form to:</p> <table border="0"> <tr> <td><i>Post:</i></td> <td>OR</td> <td><i>Delivery:</i></td> </tr> <tr> <td>RTJ Offer</td> <td></td> <td>RTJ Offer</td> </tr> <tr> <td>Computershare Investor Services Pty Ltd</td> <td></td> <td>Computershare Investor Services Pty Ltd</td> </tr> <tr> <td>GPO Box 52</td> <td></td> <td>452 Johnston Street</td> </tr> <tr> <td>Melbourne VIC 8060</td> <td></td> <td>Abbotsford VIC 3067</td> </tr> </table>	<i>Post:</i>	OR	<i>Delivery:</i>	RTJ Offer		RTJ Offer	Computershare Investor Services Pty Ltd		Computershare Investor Services Pty Ltd	GPO Box 52		452 Johnston Street	Melbourne VIC 8060		Abbotsford VIC 3067
<i>Post:</i>	OR	<i>Delivery:</i>														
RTJ Offer		RTJ Offer														
Computershare Investor Services Pty Ltd		Computershare Investor Services Pty Ltd														
GPO Box 52		452 Johnston Street														
Melbourne VIC 8060		Abbotsford VIC 3067														
Closing Date	The Offer is scheduled to close at 7.00pm Sydney, Australia time on insert date .															
Key conditions of the Offer	<p>The Offer is subject to the Conditions set out in clause 7.1 of Part 2 of the Bidder's Statement. They broadly include:</p> <ul style="list-style-type: none"> • RTJ acquiring a relevant interest in excess of 50% of all Riversdale Shares; • obtaining the relevant approvals of the acquisition of Riversdale Shares from FIRB; • no material adverse change in relation to Riversdale; • Riversdale conducting its business in the ordinary course; and • no 'prescribed occurrences' occurring (except for the issue of Riversdale Shares as a result of the exercise of any Riversdale Options that are exercisable under their terms applying as at the Announcement Date). <p>The above is a summary only and full details of all the Conditions are set out in clause 7.1 of Part 2 of this Bidder's Statement.</p>															
When you will be paid	If you accept (and return any document required with your acceptance) and this Offer becomes or is declared unconditional, a cheque will be mailed to you by the earlier of one month after the date of your acceptance and 21 days after the end of the Offer Period.															
No brokerage or stamp duty	You will not pay brokerage or stamp duty if you accept the Offer.															

Why you should accept this Offer

1. RTJ is offering an attractive premium to the trading price of Riversdale Shares prior to the announcement of discussions between Riversdale and Rio Tinto in relation to a possible corporate transaction
2. Riversdale's board of Directors recommends you accept the Offer in the absence of a superior proposal
3. Cash offer delivers certain value for your Riversdale Shares
4. The Riversdale share price may fall if the Offer does not succeed

Why you should accept this Offer

1

RTJ is offering an attractive premium to the trading price of Riversdale Shares prior to the announcement of discussions between Riversdale and Rio Tinto in relation to a possible corporate transaction

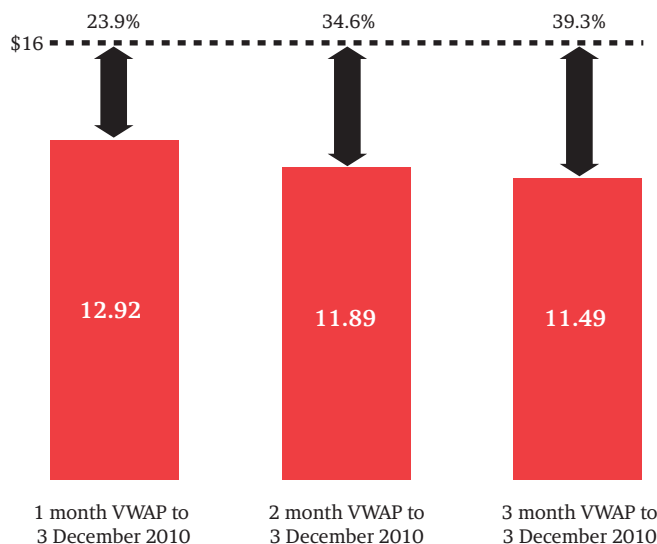
2

Riversdale's board of Directors recommends you accept the Offer in the absence of a superior proposal

RTJ's cash offer of \$16 per Riversdale Share represents a substantial premium to the trading price of Riversdale's Shares prior to Riversdale's announcement on 6 December 2010 of discussions regarding a possible corporate transaction involving Riversdale and Rio Tinto. Up to and including 3 December 2010 (the last unaffected trading day prior to the relevant announcement), the Offer represents a:

- 23.9% premium to the 1 month VWAP of Riversdale Shares on ASX;
- 34.6% premium to the 2 month VWAP of Riversdale Shares on ASX; and
- 39.3% premium to the 3 month VWAP of Riversdale Shares on ASX.

The chart below illustrates the premium reflected in the Offer.



All of Riversdale's Directors, other than Mr NK Misra, have:

- recommended that Riversdale Shareholders accept the Offer in the absence of a superior proposal; and
- indicated they intend to accept the offer for all of the Riversdale Shares that they control or are held by, or on behalf of, them, in the absence of a superior proposal.

Mr NK Misra, who is the Vice President and Group Head (Mergers & Acquisitions) for Tata Steel and a member of the Riversdale board, abstained from voting on Riversdale's board resolution to announce and recommend the Offer in the absence of a superior proposal. Tata Steel is Riversdale's largest shareholder.

Rio Tinto expects that the Target's Statement will contain a statement by Mr NK Misra that either makes a recommendation to Riversdale Shareholders in relation to the Offer, or gives reasons why he does not make a recommendation. Rio Tinto is not aware of what Mr NK Misra intends to do in this regard.

Why you should accept this Offer

3

Cash offer delivers certain value for your Riversdale Shares

The Offer provides certainty of value by providing full cash consideration.

If you accept the Offer and the Offer becomes or is declared unconditional, you will:

- be paid \$16 cash for each of your Riversdale Shares;
- not incur any brokerage fees which you would otherwise likely incur if you sell your Riversdale Shares on market; and
- be sent payment for your Riversdale Shares via a cheque mailed to you by the earlier of one month after the date of your acceptance and 21 days after the end of the Offer Period.

4

The Riversdale share price may fall if the Offer does not succeed

The Offer is at a substantial premium to the historical trading prices of Riversdale Shares prior to Riversdale's announcement of discussions between Riversdale and Rio Tinto on 6 December 2010 in relation to a possible corporate transaction.

If the Offer is not successful (and there is no other offer made available for your Riversdale Shares), the Riversdale share price may fall.

In addition, if the Offer becomes unconditional but RTJ does not acquire 100% of Riversdale, then depending on the level of acceptances under the Offer, the liquidity of Riversdale Shares may be substantially reduced, which may impact your ability to readily dispose of your Riversdale Shares in the future.

How to accept

Complete and sign the enclosed Acceptance Form and return it to one of the addresses specified on the form.

OR

If you hold your Riversdale Shares in a CHESS Holding, instruct your Controlling Participant (usually your broker) to accept the Offer on your behalf.

The Offer is scheduled to close at 7.00pm (Sydney, Australia time) on [insert date], unless extended.

Part 1

Statutory information

1

1. About Rio Tinto

1.1 RTJ

The Offer is being made by RTJ, a wholly owned subsidiary of Rio Tinto plc which is a member of the Rio Tinto Group. RTJ is a company incorporated under the laws of Jersey. Its directors are as follows:

- Ulf Quellmann, *MBA, age 45*: Ulf joined Rio Tinto as Global Head of Treasury in 2008. Prior to joining Rio Tinto, he spent five years with Alcan Inc., Canada, in various positions of which the most recent role was Vice President, Investor Relations. Previously, Ulf worked for General Motors at the President's office in New York. Ulf holds an MBA from London Business School.
- Dan Larsen, *BSc, age 52*: Dan joined Rio Tinto in 1992 after working for nine years as an external auditor in Ernst & Young's mining practice. He was Chief Financial Officer at Rio Tinto Borax from 1996 to 2001 and was Head of Group Internal Control, based in Melbourne, from 2002 until 2005. In October 2005, Dan moved to London as Group Controller.
- Ben Mathews, *BA (Hons), FCIS, age 43*: Ben joined as company secretary of Rio Tinto plc during 2007. Prior to joining Rio Tinto, he spent five years with BG Group plc, two of them as Company Secretary. He has previously worked for National Grid plc, British American Tobacco plc and PricewaterhouseCoopers LLP. Ben is a fellow of the Institute of Chartered Secretaries and Administrators.

1.2 Rio Tinto

The Rio Tinto Group is a leading international mining group, combining Rio Tinto plc and Rio Tinto Limited in a dual listed company structure (DLC). The DLC means that all Rio Tinto assets are managed on a unified basis and that the boards of both companies are identical. Both companies retain legal entities with separate share listings and registers. Rio Tinto plc is incorporated in England and Rio Tinto Limited is incorporated in Victoria, Australia.

Rio Tinto's international headquarters are in London, England. Rio Tinto's office in Melbourne, Victoria provides support for operations, various corporate services and external and investor relations, and fulfils statutory obligations in Australia. Rio Tinto operates in approximately 50 countries.

Rio Tinto's fundamental objective is to maximise shareholder return by sustainably finding, developing, mining and processing natural resources. It aims to do this through a strategy of investing in and operating large, long-term, cost competitive mines and businesses, driven not by choice of commodity but by the quality of each opportunity.

Rio Tinto owns some of the world's best mining assets, so it believes it is well placed to achieve its objective. As a highly capable organisation with global reach, the Group is able to respond to rising demand for metals and minerals from both developed and emerging economies and its strategy means that it can rely on future cash flows from operations at every stage of the commodity cycle.

Rio Tinto integrates sustainable development practices into everything it does, wherever it operates: building on improvements to safety performance and extending leadership in areas such as community and government engagement, biodiversity and management of land, carbon, water and energy.

Success in these areas helps strengthen its licence to operate. As Rio Tinto becomes increasingly known as a socially responsible developer, it gains improved access to land, people and capital – all of which are essential to its future success.

Collectively, Rio Tinto's strengths – a diverse portfolio; high quality people and assets; and expertise in exploration, technology, innovation and marketing – provide it with its unique strategic advantage. And this advantage allows it to meet the needs of a wide variety of customers while generating sufficient returns to reinvest in the Group's businesses and new projects.

Rio Tinto's management structure facilitates a clear focus on business performance and Rio Tinto's objectives. The management structure is based on five principal commodity groups:

- Iron Ore;
- Copper;
- Aluminium;
- Energy; and
- Diamonds & Minerals.

Exploration and technology resources are managed through separate Exploration and Technology & Innovation groups.

On 7 January 2011, Rio Tinto plc had a market capitalisation of £67.6 billion (US\$105.2 billion) and Rio Tinto Limited had a market capitalisation of A\$36.8 billion (US\$36.8). The combined Rio Tinto Group's market capitalisation at 7 January 2011 was approximately US\$142.0 billion (A\$142.2 billion).

In the reviewed half-year accounts at 30 June 2010 (Rio Tinto has a financial year end at 31 December), Rio Tinto had operating assets of US\$57.6 billion, including US\$11.0 billion in Iron Ore, US\$5.4 billion in Copper, US\$35.9 billion in Aluminium, US\$3.0 billion in Energy and US\$4.4 billion in Diamonds & Minerals. For the year ending 31 December 2009, Rio Tinto's cash flow from operations was US\$13.8 billion, underlying earnings was US\$6.3 billion and net earnings was US\$4.9 billion.

Part 1

Statutory information

1.3 Where to find further information on the Rio Tinto Group

Rio Tinto maintains a website (www.riotinto.com) from which its reports and many of its other publications can be downloaded in their entirety and which is linked to websites maintained by some of Rio Tinto's operations and other sites of general interest.

In addition, information on the Rio Tinto Group can be found on ASX's website at www.asx.com.au.

2. About Riversdale

2.1 Disclaimer

The information in this Section 2 concerning Riversdale and the Riversdale Group has been prepared from a review of publicly available information. RTJ does not make any representation or warranty, express or implied, as to the accuracy or completeness of such information.

The information on Riversdale and the Riversdale Group in this Bidder's Statement should not be considered comprehensive.

Further information relating to Riversdale's businesses or Riversdale's securities may be included in the Target's Statement in relation to the Offer, which will be sent to you directly by Riversdale.

2.2 Overview of Riversdale

Riversdale is a mining and exploration company listed on ASX under ASX code RIV. It is also included in the S&P ASX 100 Index.

Riversdale's stated intention is to:

- (a) develop as a diversified mining house, focused on growth through investment in suitable mining opportunities; and
- (b) assemble a portfolio of suitable assets through rapid growth for the benefit of Riversdale Shareholders and emerge as a diversified mid-tier mining house with excellent returns on shareholder funds, a strong orientation to growth and a pipeline of projects.

Riversdale's principal assets are coal mining and exploration projects in Mozambique.

Riversdale has two main projects in Mozambique, the Benga Project and the Zambeze coal project (**Zambeze Project**). The two projects are located adjacent to one another in the Tete province of Mozambique. The Benga Project is a joint venture between Riversdale (65%) and Tata Steel Limited (35%). The Zambeze Project is 100% owned by Riversdale.

A mining concession has been granted for the Benga Project and Riversdale currently expects first coal to be available for export towards the end of 2011. The Zambeze Project operates under an exploration licence.

Riversdale owns 74% of the Zululand Anthracite Colliery, an operating underground anthracite mine located in the Zululand coalfield of northern Kwa-Zulu Natal, South Africa.

Further information concerning Riversdale's projects and other assets, including in relation to the Benga Project and the Zambeze Project, can be found in the publicly available information referred to in Section 2.3 below.

2.3 Publicly available information

Riversdale Shares are listed on ASX and Riversdale is obliged to comply with the continuous disclosure requirements of ASX and the Corporations Act.

The ASX website (www.asx.com.au) and Riversdale's website (www.riversdalemining.com.au) list announcements issued by Riversdale.

2.4 RTJ's interest in Riversdale securities

As at the date of this Bidder's Statement, the total number of securities on issue in each class of securities of Riversdale (according to documents lodged by Riversdale with ASX), and the relevant interest of RTJ in those securities, are as follows:

Class of security	Number on issue	Relevant interest of RTJ in securities as at the date of the Bidder's Statement
Riversdale Shares	236,696,188	35,412,111
Riversdale Options	6,445,000	Nil
Riversdale Share Rights	555,000	Nil
Riversdale Share Appreciation Rights	1,125,000	Nil

2.5 Voting power

As at the date of this Bidder's Statement, RTJ's voting power in Riversdale is 14.96%.

3. Dealings in Riversdale Shares

3.1 Pre-bid call option agreements

On 22 and 23 December 2010, Rio Tinto entered into separate pre-bid call option agreements (**Pre-bid Agreements**) with a number of Riversdale Shareholders (**Pre-bid Shareholders**), including Michael O'Keeffe (Riversdale's Executive Chairman), Steve Mallyon (Riversdale's Managing Director), Niall Lenahan (Riversdale's Chief Financial Officer) as well as a number of Riversdale's institutional shareholders. Under these Pre-bid Agreements, Rio Tinto has been granted the right to purchase a total of 35,412,111 Riversdale Shares (**Call Option Shares**) at \$16 per Call Option Share from these Pre-bid Shareholders. In total, the Call Option Shares represent 14.96% of Riversdale's issued share capital.

Under the terms of each of these Pre-bid Agreements (which are all on substantially the same terms):

- (a) Rio Tinto (or its nominee) may exercise its right to purchase the Call Option Shares during the period commencing on the later of the 28th day of the Offer Period and the day on which the Offer becomes unconditional and ending at the end of the Offer Period (or the earlier termination of the agreement). However, Rio Tinto's rights to exercise the call option are suspended if a higher competing bid is recommended by the Riversdale board unless, within five Business Days, Rio Tinto matches the price or secures the Riversdale board's recommendation (**Matches the Price**).
- (b) A Pre-bid Shareholder may accept the Offer for all the Call Option Shares, including if Rio Tinto exercises its right to purchase Call Option Shares.
- (c) A Pre-bid Shareholder cannot withdraw its acceptance of the Offer in respect of any Call Option Shares prior to 30 April 2011 (even if entitled to do so by law).
- (d) A Pre-bid Shareholder cannot dispose of the Call Option Shares to any person other than Rio Tinto until the earlier of termination of the Pre-bid Agreement and the end of the Offer Period.
- (e) If, within six months after the close of the Offer Period, Rio Tinto accepts a competing bid in respect of any Call Option Shares and receives payment for those shares, Rio Tinto must pay an amount equal to half of $(A - B)$, on a tax adjusted basis, where A is the on-sale proceeds and B is either the exercise price if the Call Option Shares are acquired under the call option or a volume weighted average price for Riversdale Shares in the period prior to announcement of the competing bid or the end of the Offer Period (as appropriate) if the Call Option Shares are acquired under the Offer.

- (f) The Pre-bid Agreement may be terminated by a Pre-bid Shareholder (i) if a higher competing bid is announced by a third person and RTJ does not Match the Price, (ii) if a Pre-bid Shareholder accepts the Offer for all of the Call Option Shares, or (iii) on 30 April 2011 if doing so will not cause RTJ to breach section 654A of the Corporations Act.

A sample copy of one of the Pre-bid Agreements with a Pre-bid Shareholder is included at Annexure C to the notice of initial substantial holder released by Rio Tinto to ASX on 24 December 2010.

3.2 Consideration provided for Riversdale Shares during previous four months

During the period beginning four months before the date of this Bidder's Statement and ending on the day immediately before the date of this Bidder's Statement, neither RTJ nor any of its Associates has provided or agreed to provide consideration for a Riversdale Share except pursuant to the Pre-bid Agreements described in Section 3.1.

3.3 No inducing benefits given, offered or agreed during previous four months

During the four months before the date of this Bidder's Statement, neither RTJ nor any of its Associates gave, offered to give or agreed to give a benefit to another person that induced, or was likely to induce, the other person or an Associate to:

- (a) accept the Offer; or
- (b) dispose of Riversdale Shares,

that was not offered to all holders of securities in the bid class, other than as described in Section 3.1.

4. How cash consideration will be provided

4.1 Riversdale Shares to which the Offer relates

The information in this Section 4 is given to the best of RTJ's knowledge and is based on documents lodged by Riversdale with ASX.

As at the date of this Bidder's Statement, Riversdale has the following securities on issue:

- (a) 236,696,188 Riversdale Shares; and
- (b) 6,445,000 Riversdale Options, 555,000 Riversdale Share Rights and 1,125,000 Riversdale Share Appreciation Rights (together, **Riversdale Options and Rights**). RTJ's Offer extends to all Riversdale Options and Rights converted into Riversdale Shares during the Offer Period.

As at the date of this Bidder's Statement, RTJ had a relevant interest in 35,412,111 Riversdale Shares pursuant to the Pre-bid Agreements and no interest in any of the Riversdale Options and Rights (see Section 2.4).

Part 1

Statutory information

If all of the Riversdale Options and Rights are converted into Riversdale Shares during the Offer Period,³ the total amount that RTJ would be required to pay for Riversdale Shares if it acquires all of the Riversdale Shares in which it or its Associates do not already have a relevant interest is approximately \$3.3 billion. In this scenario, the maximum amount payable by RTJ under the Offers and the Pre-Bid Agreement would be \$3.9 billion.

However, the Riversdale Options and Rights have been issued to Riversdale executives and senior management in accordance with the Incentive Plans, which provide that where a takeover bid is made for Riversdale and the Riversdale board recommends acceptance by the Riversdale Shareholders, the Riversdale board may determine that unvested Riversdale Options and Rights issued under the respective Incentive Plans will become vested on a specified date. As at the date of this Bidder's Statement, neither Rio Tinto nor RTJ are aware that the Riversdale board has made any such determination. Furthermore, Riversdale agreed in the Bid Implementation Agreement (which is summarised in Section 7.2) that it would not waive or vary any unsatisfied conditions or hurdles attached to the Riversdale Options and Rights unless Rio Tinto requests that it do so or Rio Tinto is entitled to compulsorily acquire Riversdale Shares following the Offer.

4.2 Intra-group arrangements

Rio Tinto plc has irrevocably and unconditionally undertaken to RTJ that it will provide or procure that one or more wholly owned subsidiaries of Rio Tinto plc provides such funds to RTJ as are necessary to fund the total cash consideration required to satisfy RTJ's obligations under the Offers and the Pre-Bid Agreements, together with amounts required to cover all transaction costs.

Rio Tinto Holdings (Channel Islands) Limited, which is wholly owned by Rio Tinto plc, will subscribe for equity in RTJ. There will be no conditions precedent to the subscription for equity in RTJ. RTJ will, at all times during the Offer Period, be and remain a wholly owned subsidiary of the Rio Tinto Group.

In addition, Rio Tinto Finance plc (a wholly owned subsidiary of Rio Tinto plc) will make available an unsecured loan facility not exceeding the aggregate value of the cash consideration and transaction costs, and funds borrowed thereunder will bear interest at such rate, and be repayable at such times, as will be specified by Rio Tinto Finance plc.

There will be no conditions precedent to RTJ drawing down these funds from Rio Tinto Finance plc. Rio Tinto plc will procure that no demand for interest or repayment of the funds may be made by Rio Tinto Finance plc during the period in which RTJ has an outstanding obligation to make payment under the Offers or under the Pre-Bid Agreements.

4.3 Source of funds for RTJ Finance

Rio Tinto plc will source the funds it has undertaken to provide or procure to provide to RTJ, from Rio Tinto Finance plc's immediately available cash reserves.

As at 6 January 2011, Rio Tinto Finance plc had immediately available cash reserves in excess of \$8.79 billion held on deposit with several investment grade international banks and liquidity funds. Rio Tinto Finance plc and Rio Tinto Finance Limited (a wholly owned subsidiary of Rio Tinto Limited) also have access to a US\$6 billion undrawn committed available revolving credit facility, terminating on 12 November 2015, to fund Rio Tinto Group operating expenses. Rio Tinto plc will ensure that the Rio Tinto Group has cash reserves and undrawn facilities which are, in aggregate, sufficient and available at all times during the Offer Period to allow RTJ to meet its obligations under the Offers, the Pre-Bid Agreements and all related transaction costs.

RTJ is of the opinion that it has a reasonable basis for forming the view, and it holds the view, that it will be able to pay the consideration required to pay Riversdale Shareholders who accept the Offers and to meet all its other obligations under the Offers and the Pre-Bid Agreements, together with amounts required to cover all transaction costs associated with the Offers and the Pre-Bid Agreements.

³ Riversdale Options and Riversdale Share Rights entitle the holder to acquire one Riversdale Share per Riversdale Option and Riversdale Share Right respectively. The number of Riversdale Shares that will be issued upon the exercise of Riversdale Share Appreciation Rights is related to Riversdale's share price at the time of vesting.

The maximum number of Shares that would be issued as a result of the exercise of Riversdale Share Appreciation Rights is calculated as follows (assuming a market value of \$16.77 on the date the Riversdale Share Appreciation Rights vest (ie, the Riversdale share price as at the close of trading on 7 January 2011):

$$\begin{aligned} \text{Number of Shares} &= \text{Number of Riversdale Share Appreciation Rights} \times (\text{Market value at vesting date} - \text{base price (of \$5.72)}) \div \text{Market value} \\ &= 1,125,000 \times (\$16.77 - \$5.72) \div \$16.77 \\ &= 741,279 \end{aligned}$$

5. RTJ's intentions for the business, assets and employees of Riversdale

5.1 Introduction

This Section 5 sets out Rio Tinto's current intentions on the basis of facts and information concerning Riversdale which are known to it as at the date of this Bidder's Statement. RTJ's current intentions concerning the businesses, assets and employees of Riversdale are the same as the intentions of Rio Tinto set out in this Section 5.

Rio Tinto's present specific intentions are set out below.

5.2 Compulsory acquisition

If RTJ becomes entitled to compulsorily acquire Riversdale Shares under section 661A of the Corporations Act, RTJ will give notices to compulsorily acquire any outstanding Riversdale Shares in accordance with section 661B of the Corporations Act and will have Riversdale apply for its removal from the official list of ASX.

Even if Rio Tinto does not become entitled to exercise compulsory acquisition rights following the Offer under section 661A of the Corporations Act, it may nevertheless be or become entitled to exercise general compulsory acquisition rights under Part 6A.2 of the Corporations Act. Rio Tinto intends to exercise such rights if they become available.

5.3 Intentions for Riversdale as a wholly owned subsidiary

(a) Strategic review

Rio Tinto continually looks for opportunities to maximise shareholder value from all of its investments, and the acquisition of Riversdale will be no exception. While Rio Tinto has undertaken due diligence on Riversdale, Rio Tinto intends to undertake a detailed review of Riversdale's projects and operations to evaluate their performance, prospects and strategic relevance for Rio Tinto. This exercise will allow Rio Tinto to verify (or identify any deviation from) Rio Tinto's understanding of the facts, information and circumstances relevant to Riversdale's projects and operations and help determine how best to further develop these projects and operations in the context of Rio Tinto's general corporate objectives set out in Section 1.

Rio Tinto believes that most of the assets of Riversdale complement the Rio Tinto portfolio. However, as part of the review, it may become apparent that some of the assets and businesses of Riversdale may not be regarded as having strategic relevance to Rio Tinto. Rio Tinto's review of those assets and businesses will also consider the merits of, and opportunities for, divestiture. For example, based on the information available to it, Rio Tinto's current intention is to divest Riversdale's interest in the Zululand Anthracite Colliery.

(b) Corporate and management functions

Rio Tinto will seek to retain key members of Riversdale's management and staff, where appropriate.

Rio Tinto intends to consolidate Riversdale's corporate head office functions with those of Rio Tinto, which may include the eventual closure of Riversdale's corporate head office. Rio Tinto may also close additional Riversdale offices where services provided by those offices can be provided more efficiently by the Rio Tinto Group.

Rio Tinto will review the roles of those employees currently required to support Riversdale's public company status and those employees providing other services that can be provided by the Rio Tinto Group. In those cases, Rio Tinto will attempt to identify opportunities for alternative employment of those persons by Rio Tinto. In the transition, Rio Tinto will seek to minimise any changes to employees' terms and conditions.

Rio Tinto will also seek the resignation of the existing directors of Riversdale and appoint, in their place, nominees of Rio Tinto. Rio Tinto has not yet determined the identity of its proposed nominees, although the candidates who are likely to be considered by Rio Tinto for appointment to the Riversdale board will be executives or officers of the Rio Tinto Group with appropriate experience, qualifications and skills for Riversdale and its business and to implement Rio Tinto's intentions for Riversdale.

While Rio Tinto is not in a position to quantify reliably the cost savings which might emerge from the review set out above, Rio Tinto would expect some ongoing savings in corporate costs. Riversdale's 2010 annual report identified 'Administration expenses' for the year ended 30 June 2010 of \$7.916 million.

(c) General business integration

Rio Tinto's primary objective in acquiring Riversdale is to pursue the optimum development and commissioning of the Benga and Zambeze projects in Mozambique. Rio Tinto intends to continue working closely with Tata Steel, Riversdale's partner in the Benga joint venture, in the development of the Benga Project in accordance with the terms of the joint venture agreement.

Rio Tinto intends using its considerable technical, financial and project management resources and expertise to augment and optimise Riversdale's current development plans to bring both projects into production as soon as practicable. In addition, Rio Tinto intends to use its existing expertise and experience in rail, port and barging to provide infrastructure solutions for the Benga and Zambeze projects.

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Rio Tinto also intends to advance Riversdale's existing exploration programs in Mozambique, supplementing Riversdale's existing exploration resources with those of Rio Tinto.

Rio Tinto intends to review Riversdale's resource and reserve estimates in accordance with how the Rio Tinto Group applies the JORC Code to estimate resources and reserves.

Pending Rio Tinto's strategic review of Riversdale as described above, Rio Tinto intends that the Riversdale business will continue in the manner in which it is currently conducted, but augmented and optimised by Rio Tinto's resources as described above.

(d) Potential benefits from optimisation and rationalisation opportunities

To the extent that rationalisation opportunities may be identified in the strategic review, Rio Tinto cannot reliably quantify the value of the benefits which would be derived from those opportunities if they can be exploited, which (in each case) will depend upon a number of factors, including the following:

- (i) availability of skilled personnel;
- (ii) local labour requirements; and
- (iii) requirements and expectations of the Government of Mozambique.

5.4 Intentions for Riversdale as a partly owned subsidiary

If, following the close of the Offer, Riversdale becomes a controlled entity but not a wholly owned subsidiary of Rio Tinto, it is Rio Tinto's present intention to attempt to procure that the board of Directors of Riversdale implement the steps outlined in Section 5.3 above to the extent possible and appropriate. Any transactions between members of the Rio Tinto Group and Riversdale required to effect those steps are expected to be entered into on arm's length terms, and if required by law, Rio Tinto will seek any necessary approval of the remaining shareholders of Riversdale to implement those steps.

In addition, it is Rio Tinto's current intention to:

- maintain Riversdale as a company with official quotation on ASX to the extent permitted by the Listing Rules; and
- seek the appointment of nominees of Rio Tinto to the board of directors of Riversdale in such a proportion as at least equates to Rio Tinto's proportionate interest in Riversdale Shares.

Furthermore, the capacity for Riversdale to pay dividends in the future will depend on the capital expenditure required to complete Riversdale's significant projects. It is Rio Tinto's current intention that Riversdale will ultimately fund its capital expenditure commitments with a combination of equity, commercial standalone finance and internally generated funds, the last of which is likely to restrict Riversdale's ability to pay dividends for some years after completion of those significant projects.

The extent to which Rio Tinto's intentions for Riversdale described in Section 5.3 may be realised, if Riversdale is a partly owned subsidiary, will be subject to:

- the law and the Listing Rules, in particular in relation to related party transactions and conflicts of interest. For example, the Corporations Act prohibits a public company (such as Riversdale) from giving a financial benefit to a related party unless disinterested shareholders approve the transaction or a relevant exception (such as that for dealing on "arm's length terms") applies, and the Listing Rules prohibit a listed company from acquiring or disposing of assets (whose value is 5% or more of the listed company's equity interests) from or to a related party unless disinterested shareholders, with the benefit of an independent expert's report, approve the transaction. Rio Tinto would be regarded as a related party for these purposes such that the possible requirements of minority Riversdale Shareholder approval may prevent a particular intention being achieved;
- the legal obligation of the then Riversdale board of Directors to act for proper purposes and in the best interests of the Riversdale Shareholders as a whole; and
- the outcome of the strategic review referred to in Section 5.3(a) (as modified in paragraph (a) below).

Further particulars relevant to Rio Tinto's intentions in these circumstances follow:

- (a) Following the intended strategic review, any decision to implement it and the manner of its implementation would be decisions for the Riversdale board. Rio Tinto expects that it would work in close consultation with Riversdale management in conducting the strategic review and any proposals arising from it would be presented to the Riversdale board for consideration. Such proposals would be accompanied by a business case for any proposed transactions (consistent with the intentions set out in Section 5.3).

- (b) Rio Tinto expects that the Riversdale board would require Riversdale (if partly owned) to have corporate and operational management dedicated to Riversdale's business. The extent of the functions which that management would undertake would be a matter for the Riversdale board to determine at the time, but Rio Tinto expects that Riversdale is likely to maintain strategic analysis and planning capability, and marketing capability, where appropriate. Functions such as treasury, human resources, corporate relations, accounting, tax, legal and information technology could, in the interests of both groups, be the subject of shared services arrangements.
- (c) There are a range of services and benefits which Rio Tinto may be able to make available to Riversdale more cost effectively. It would be a matter for the Riversdale board as to whether it wished to take advantage of opportunities which Rio Tinto may present to it in this regard, recognising that Riversdale management and the Riversdale board have a responsibility to pursue opportunities creating greater efficiencies and shareholder value.
- (d) In relation to its dealings with Rio Tinto, Rio Tinto also expects that Riversdale's Directors may require access to independent legal and commercial advice (as appropriate) and that they would use that advice to assist them in determining what terms may be appropriate for dealings with Rio Tinto.
- (e) Corporate or business opportunities which are identified by Riversdale or Rio Tinto would belong to that party. If business prudence dictated that the opportunities be pursued by the other, the transfer of that opportunity would be negotiated on arm's length terms. Rio Tinto would support, and expects that the Riversdale board would require, that protocols be established to ensure equitable allocation of opportunities arising from sharing or rationalisation of facilities or infrastructure.
- (f) The exploration and research and development activities presently undertaken by Riversdale would be included in the strategic review. There are some areas where benefits could be obtained by co-operation between the Riversdale and Rio Tinto exploration groups, such as in tenement administration, exploration logistics and geological services, which Riversdale would be encouraged to pursue.
- (g) Even though Rio Tinto does not yet have a final view as to Riversdale's capital funding requirements, it is clear that Riversdale's planned projects will require significant capital expenditure over a number of years. Given the

scale of Riversdale's capital expenditure requirements, Rio Tinto considers it likely that Riversdale will require further equity funding to complete its significant projects. Rio Tinto currently expects that all Riversdale Shareholders, at the time of the equity raisings, would be given an opportunity to participate in any such equity raisings on a pro rata basis (such that any Riversdale shareholders who did not participate in any such equity raisings on a pro rata basis would have their shareholdings in Riversdale diluted).

Rio Tinto is unable to quantify reliably the value of the benefits which would be available in the event that it achieves 100% ownership of Riversdale. If Riversdale becomes a partly owned subsidiary, Rio Tinto is similarly unable to assess the value of the benefits that would be available but it believes that this value would be less than if Riversdale were 100% owned.

5.5 Other intentions

Subject to the foregoing, it is the present intention of Rio Tinto:

- (a) to continue the business of Riversdale;
- (b) not to make any major changes to the business of Riversdale, nor to redeploy any of the fixed assets of Riversdale; and
- (c) to continue the employment of Riversdale's present employees.

6. Australian tax considerations

6.1 Introduction

The following is a general description of the principal Australian tax consequences for the registered holders of Riversdale Shares upon the disposal of their shareholding to RTJ.

The following description is based upon the law in effect at the date of this Bidder's Statement, but it is not intended to be an authoritative or complete statement of the law applicable to the particular circumstances of every registered holder of Riversdale Shares. In particular, the registered holders of Riversdale Shares should be aware that the levels and bases of taxation can change and that where reference is made to tax concessions, this is to tax concessions as currently applying. It is recommended that registered holders seek independent professional advice in relation to their own particular circumstances.

Any persons who may be subject to tax in any jurisdiction outside Australia should obtain independent professional advice on their particular circumstances.

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The Australian tax implications outlined below are relevant to registered holders who hold their Riversdale Shares as capital assets for the purposes of investment and who do not hold their Riversdale Shares as trading stock, as part of a profit-making undertaking or scheme, or otherwise on revenue account. This clause in particular does not address in detail the tax considerations applicable to persons holding Riversdale Options, or registered holders that may be subject to special rules, such as banks, insurance companies, tax exempt organisations, trusts, superannuation funds, dealers in securities or registered holders who change their tax residence while holding Riversdale Shares.

6.2 Capital gains tax (CGT) implications

CGT event

For CGT purposes, a 'CGT event' will occur when you dispose of your Riversdale Shares to RTJ. The time of your disposal will depend on your circumstances as follows:

- (a) if you accept the Offer on or before the Condition in clause 7.1(b) of Part 2 (FIRB approval) is met, your disposal should take place on the date the Condition is met;
- (b) if you accept the Offer after the Condition in clause 7.1(b) of Part 2 is met, your disposal should take place on the date the Offer is accepted by you; and
- (c) if you do not accept the Offer and your Riversdale Shares are compulsorily acquired (as described in Section 7.1 (Compulsory acquisition) of Part 1), your disposal should take place on the date RTJ becomes the owner of your Riversdale Shares.

Determining your capital gain or loss

Any capital gain or loss from the CGT event will be determined by comparing the total consideration that you receive for your Riversdale Shares in accordance with clause 2.1 (Price payable) of Part 2 of this Bidder's Statement with the CGT cost base or reduced cost base of your Riversdale Shares.

If RTJ reduces the Offer Price under clause 6 (Dividends and other entitlements) of Part 2 of this Bidder's Statement that reduced consideration will be the amount of consideration taken into account in calculating your capital gain or loss.

The cost base or reduced cost base of your Riversdale Shares should broadly equal the money you paid or were required to pay to acquire your Riversdale Shares plus any non-deductible incidental costs incurred in acquiring and disposing of the shares.

Where you acquired your Riversdale Shares before 21 September 1999, in calculating a capital gain, the cost base of your shares may be increased for indexation based on the CPI movement from your date of acquisition to 30 September 1999. Alternatively, if you are entitled to, you may choose to claim the CGT discount to reduce your capital gain (refer below).

You will make a capital gain from the disposal of your Riversdale Shares to RTJ if the consideration that you received exceeds the cost base of your shares.

Conversely, you will make a capital loss if the reduced cost base of your Riversdale Shares exceeds the consideration that you received.

The tax treatment of your capital gain or capital loss arising from the disposal of your Riversdale Shares depends on whether or not you are an Australian resident for taxation purposes:

(a) Australian residents

You may be entitled to the CGT discount if:

- (i) you are an Australian resident individual, trust or complying superannuation fund;
- (ii) you have held your Riversdale Shares for at least 12 months; and
- (iii) you make a capital gain from the disposal of your Riversdale Shares.

The CGT discount will result in:

- (i) 50% of your capital gain being assessable, if you are an individual or a trust; or
- (ii) 66 $\frac{2}{3}$ % of your capital gain being assessable, if you are a complying superannuation fund.

No CGT discount is available for companies.

If you make a capital gain from the disposal of your Riversdale Shares, that capital gain will be combined with any other capital gains you have made for the income year, then the total will be applied against any capital losses you have made in the income year (before taking into account the CGT discount, if applicable). Any resulting net capital gain will be included in your assessable income for the income year. Any resulting net capital loss will be carried forward and may be applied against any future assessable capital gains (before taking into account the CGT discount, if applicable).

If you make a capital loss from the disposal of your Riversdale Shares, that capital loss may only be offset against your assessable capital gains (before taking into account the CGT discount, if applicable) for the current income year. Any excess capital loss may be applied against your future assessable capital gains (before taking into account the CGT discount, if applicable).

(b) Non-Australian residents

Capital gains or capital losses made by registered holders of Riversdale Shares who are non-Australian residents will be disregarded.

Non-Australian resident registered holders of Riversdale Shares who (together with their Associates) hold 10% or more of the rights to capital distributions, rights to profit distributions or rights to vote in Riversdale and non-Australian resident registered holders of Riversdale Shares who hold their Riversdale Shares through a permanent establishment in Australia should seek independent professional advice in respect of their own particular circumstances.

6.3 Stamp duty and the goods and services tax (GST)

No stamp duty or GST is payable by you on the sale of your Riversdale Shares to RTJ pursuant to the Offer.

You may be charged GST on incidental costs (for example, brokerage or advisory fees) incurred in acquiring and disposing of your Riversdale Shares. You may be entitled to input tax credits or reduced input tax credits for such costs, but should seek independent professional advice in relation to your own particular circumstances.

7. Additional information

7.1 Compulsory acquisition

(a) Post-bid compulsory acquisition provisions

If RTJ becomes entitled to compulsorily acquire Riversdale Shares under section 661A of the Corporations Act, RTJ will give notices to compulsorily acquire any outstanding Riversdale Shares in accordance with section 661B of the Corporations Act. RTJ may compulsorily acquire all outstanding Riversdale Shares at the Offer Price under these provisions if, during or at the end of the Offer Period:

- (i) RTJ and its Associates have relevant interests in at least 90% (by number) of Riversdale Shares; and
- (ii) RTJ and its Associates have acquired at least 75% (by number) of the Riversdale Shares that RTJ offered to acquire under the Bid.

Holders of Riversdale Shares covered by a compulsory acquisition notice under Part 6A.1 may apply to the court for an order that the Riversdale Shares not be compulsorily acquired. The court may only make such an order if it is satisfied that the consideration is not fair value for the securities.

(b) General compulsory acquisition provisions

If RTJ becomes entitled to compulsorily acquire Riversdale Shares and Riversdale Options and Rights under section 664A of the Corporations Act, RTJ will give notices to Riversdale Shareholders and Riversdale Options and Rights Holders to compulsorily acquire any outstanding Riversdale Shares and Riversdale Options and Rights in accordance with section 664C of the Corporations Act.

RTJ will be able to compulsorily acquire all outstanding Riversdale Shares and Riversdale Options and Rights under Part 6A.2 of the Corporations Act if RTJ's voting power in Riversdale is at least 90% and RTJ (either in its own right or through related bodies corporate) acquires full beneficial interests in at least 90% (by value) of the aggregate of all Riversdale Shares and Riversdale Options and Rights and:

- (i) lodges a compulsory acquisition notice with ASIC in accordance with section 664C(2)(a) within six months of achieving that 90% holding (and despatches the notice to Riversdale security holders by the following Business Day); and
- (ii) obtains the report of an expert stating whether, in the expert's opinion, the terms proposed in the notice give fair value for the securities covered.

Riversdale security holders whose Riversdale securities are covered by the compulsory acquisition notice are entitled to object to the acquisition by signing an objection form and returning it to RTJ. If more than 10% of the holders of securities covered by the notice object, RTJ will need court approval before the acquisition can proceed.

(c) Compulsory buy-out of Riversdale Shares and Riversdale Options and Rights

If RTJ is required to compulsorily offer to buy out outstanding Riversdale Shares and Riversdale Options and Rights under section 662A and section 663A of the Corporations Act (and no relevant modification of those sections applies), RTJ will give notices to Riversdale Shareholders and Riversdale Option and Rights Holders offering to buy out their Riversdale Shares and Riversdale Options and Rights in accordance with section 662B and section 663C of the Corporations Act.

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RTJ must serve a notice offering to buy out all remaining holders of Riversdale Shares and Riversdale Options and Rights if, at the end of the Offer Period, RTJ and its Associates have relevant interests in at least 90% (by number) of Riversdale Shares. Riversdale security holders who hold securities covered by the notice may, but need not, accept the offer in the notice. The notices must be lodged with ASIC within one month after the end of the Offer Period (and must be despatched to Riversdale security holders on the same day or the next Business Day). Riversdale security holders who wish to accept the Offer must do so within one month after the notice is lodged with ASIC.

7.2 Bid Implementation Agreement

On the Announcement Date, Rio Tinto entered into the Bid Implementation Agreement (BIA) with Riversdale. The key terms are summarised below:

- (a) Rio Tinto agreed to announce an offer to acquire all Riversdale Shares at \$16 per share, subject to the Conditions set out in clause 7.1 of Part 2 of this Bidder's Statement.
- (b) The Offers may be varied, and any Condition may be waived, as permitted by law.
- (c) Riversdale and Rio Tinto will work together in relation to the acquisition or cancellation of Riversdale Options and Rights. Riversdale will not waive or vary any unsatisfied conditions or hurdles attached to the Riversdale Options and Rights unless either Rio Tinto requests that it do so or Rio Tinto is entitled to compulsorily acquire the Riversdale Shares following the Offer, in which case Riversdale will waive all unsatisfied conditions or hurdles attached to the Riversdale Options and Rights.
- (d) Riversdale's Recommending Directors agreed to unanimously recommend Rio Tinto's offer for Riversdale, in the absence of a superior offer to acquire all Riversdale Shares, unless Riversdale receives a competing proposal and the Riversdale Recommending Directors determine, after considering the matter in good faith (following consultation with Riversdale's advisers and after taking into account all aspects of the competing proposal, including its terms and conditions and the person making it) and after all of Rio Tinto's rights to match the competing offer have been exhausted, that the competing proposal constitutes a superior proposal to the Offer.
- (e) Riversdale's Target's Statement must include a recommendation by each of the Recommending Directors that Riversdale Shareholders accept the Offer in the absence of a superior offer and a statement by each of the Recommending Directors that they intend to accept the Offer in the absence of a superior offer.
- (f) Rio Tinto and Riversdale may despatch their Bidder's Statement and Target's Statement together as a combined booklet, although Rio Tinto can despatch its Bidder's Statement earlier and on its own if it so wishes.
- (g) Riversdale will appoint Rio Tinto's nominees as directors of Riversdale so that they represent a majority of Riversdale's board once Rio Tinto acquires a relevant interest in excess of 50% of Riversdale's shares and the Offer is then unconditional, provided that Rio Tinto's nominees do not participate in decisions of Riversdale in relation to the Offer until after the end of the Offer Period.
- (h) Riversdale is subject to customary no shop, no talk (subject to a fiduciary out), no due diligence (subject to a fiduciary out) obligations. Riversdale also has to notify Rio Tinto of any third party approaches, although the provision of material details of that approach (including the terms and identity of the potential competing bidder) are subject to a fiduciary out. The fiduciary out relieves Riversdale of its relevant obligations where the competing proposal is bona fide and is made in writing by or on behalf of a person that the Riversdale board considers is of reputable commercial standing, and the Riversdale board has determined in good faith (after consultation with Riversdale's advisers), that:
 - (i) the competing proposal is reasonably capable of being valued and completed on a timely basis and would, if completed substantially in accordance with its terms or on terms as may reasonably be expected to flow from the competing proposal, be more favourable to the Riversdale Shareholders than the Offer, after taking into account all aspects of the competing proposal (including its terms and conditions) and the person making it; and
 - (ii) failing to take the action with respect to the competing proposal would, or would be reasonably likely to, involve a breach of the fiduciary or statutory obligations of any Riversdale Director.

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- (i) If Riversdale receives a competing proposal which, if implemented, would result in a third person acquiring a controlling interest in Riversdale and, as a result, any Recommending Director proposes to change his or her recommendation of the Offer (so that he or she can recommend the competing proposal), Riversdale must give Rio Tinto three Business Days' prior notice of the proposed change and the material terms and conditions (including price) of the applicable competing proposal. Prior to giving the notice, Riversdale must ask the rival bidder for the consent to their identifying details being provided by Riversdale to Rio Tinto on a confidential basis and if that consent is refused, Riversdale may only withhold details of the material terms and conditions of the applicable competing proposal or the identifying details from Rio Tinto if, and to the extent that, a majority of the Recommending Directors, acting in good faith and after having taken advice from its external legal advisers, determines that failing to do so would, or would be reasonably likely to, constitute a breach of the fiduciary or statutory duties owed by any Recommending Director, in which case Riversdale must announce to ASX all the material terms and conditions of the competing proposal and the identifying details, in each case, as soon as consistent with their fiduciary and statutory duties.
- (j) Rio Tinto will have the right, but not the obligation, at any time during the period of three Business Days following the later of receipt of the notice and announcement to ASX of the competing proposal and identifying details, to amend the terms of the Offer and, if it does so, then the Recommending Directors must review Rio Tinto's counter proposal in good faith. If the Recommending Directors determine that Rio Tinto's counter proposal would be more favourable to Riversdale and Riversdale Shareholders than the competing proposal, then the Recommending Directors must recommend Rio Tinto's counter proposal to Riversdale Shareholders and not recommend the applicable competing proposal.
- (k) Riversdale must pay Rio Tinto a \$37.8 million break fee if:
- (i) any Recommending Director fails to recommend the Offer or recommends against, qualifies their support of, or withdraws their recommendation or approval of the Offer; or
 - (ii) a competing proposal is announced or made during the period commencing on the date of the BIA and ending on the earlier of the termination of the BIA and the end of the Offer Period (**Exclusivity Period**) and is recommended by the Recommending Directors; or
 - (iii) a competing proposal is announced or made during the Exclusivity Period and is completed at any time prior to the first anniversary of the date of the BIA and, as a result, a third party acquires a controlling interest in Riversdale; or
 - (iv) Riversdale implements or takes any step to implement any action that is referred to in section 652C(1) of the Corporations Act, without the prior written consent of Rio Tinto and Rio Tinto does not, or publicly indicates that it will not, waive the breach of any of the relevant Conditions; or
 - (v) a general meeting of Riversdale is convened to consider, and if thought fit, approve implementing or taking any step that would, or would be likely to, prevent a Riversdale Controlled Condition being satisfied or result in a Riversdale Controlled Condition not being satisfied, and a majority of the Recommending Directors recommend that Riversdale Shareholders vote in favour of implementing or taking that step.
- (l) The parties have agreed to limit their aggregate liability to one another under the BIA to \$37.8 million.
- (m) The BIA may be terminated:
- (i) by either party if the other party is in material breach of the BIA and that breach is not remedied by the other party within five Business Days of it receiving notice from the first party of the details of the breach and the first party's intention to terminate, or if Rio Tinto withdraws the Offers for any reason including non-satisfaction of a Condition;
 - (ii) by Rio Tinto if the Recommending Directors do not recommend the Offer or withdraw, change or qualify their recommendation; or
 - (iii) by Riversdale if the Recommending Directors withdraw their recommendation because Riversdale has received a competing proposal and the Recommending Directors have determined that the competing proposal constitutes a superior proposal to the Offer and RTJ's right to match the competing proposal set out in paragraph 7.2(j) (above) have been exhausted.
- A copy of the BIA is attached to Riversdale's ASX announcement dated 23 December 2010.

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7.3 Agreements with Riversdale Directors

Other than as set out elsewhere in this Bidder's Statement (including Section 3.1), there is no agreement between RTJ and a director or another officer of Riversdale in connection with or conditional on the outcome of the Offers.

7.4 Financial position of Riversdale

So far as RTJ knows, as at the date of this Bidder's Statement, there has not been a material change in the financial position of the Riversdale group of companies since 30 June 2010 (the date of the audited financial report for the period ended 30 June 2010 released to ASX on 23 August 2010) which is not outlined in the notes to and forming part of that financial report.

7.5 Riversdale's share price

Since the close of trade on 3 December 2010, the last trading day before Riversdale's announcement of discussions between it and Rio Tinto in relation to a possible corporate transaction, Riversdale's share price has traded at prices in excess of the Offer Price.

7.6 Potential for waiver of defeating Conditions

The Offer is subject to a number of Conditions set out in Part 2 of this Bidder's Statement. Under the terms of the Offer and the Corporations Act, any or all of those Conditions may be waived by RTJ, except the Condition in clause 7.1(b) of Part 2.

If an event occurs which results (or would result) in the non-fulfillment of a Condition, RTJ might not make a decision as to whether they will either rely on that non-fulfillment, or instead waive the Condition, until the date for giving notice as to the status of the Conditions of the Offer under section 630(3) of the Corporations Act (see clause 7.5 of Part 2). If RTJ decides that it will waive a Condition, it will announce that decision to ASX in accordance with section 650F of the Corporations Act.

If any of the Conditions are not fulfilled, and RTJ decides to rely on the non-fulfillment, then any contract resulting from acceptance of the Offer will become void at (or, in some cases, shortly after) the end of the Offer Period, and the relevant Riversdale Shares will be returned to the holder. If the Condition in clause 7.1(b) of Part 2 is not fulfilled, then no contract will result from acceptance of the Offer as that Condition cannot be waived.

7.7 FIRB approval

It is a Condition of the Offer that before the end of the Offer Period one of the following occurs (see clause 7.1(b) of Part 2 of this Bidder's Statement):

- (a) RTJ receives a notice from the Treasurer of the Commonwealth of Australia (**Treasurer**) or his agent to the effect that there is no objection to the acquisition of the Riversdale Shares by RTJ or another wholly owned subsidiary of the Rio Tinto Group (by any means permitted by the Corporations Act) under the Commonwealth Government's foreign investment policy, such notice being unconditional;
- (b) the period provided under the *Foreign Acquisitions and Takeovers Act 1975* (Cth) (as amended) (FATA) during which the Treasurer may make an order under section 22 of the FATA prohibiting the acquisition of Riversdale Shares by RTJ or another wholly owned subsidiary of the Rio Tinto Group (by any means permitted under the Corporations Act) has elapsed, without such an order being made; or
- (c) if an interim order prohibiting such acquisition is made, the subsequent period for making a final order prohibiting the acquisition of Riversdale Shares by RTJ or another wholly owned subsidiary of the Rio Tinto Group has elapsed, without such final order being made.

Rio Tinto plc and RTJ are each foreign persons under FATA. Neither Rio Tinto plc nor RTJ is the subject of any relevant exemption under FATA. Accordingly, RTJ has filed an application, together with detailed submissions, with FIRB, requesting that the approval of the Treasurer be given in relation to the acquisition of Riversdale securities under the Offer. RTJ is not aware of any reason why the requisite approval will not be forthcoming in due course.

7.8 Status and effect of other Conditions

As at the date of this Bidder's Statement, RTJ is not aware of any events or circumstances which would result in the non-fulfilment of any of the Conditions in clause 7.1 of Part 2 of this Bidder's Statement.

7.9 Broker commission

RTJ may offer to pay a commission to brokers who solicit acceptances of the Offer from their clients, but has made no final decision in relation to the matter at this stage.

Any commission payments will be paid only in respect of parcels of Riversdale Shares held by retail shareholders who accept the Offer.

If such arrangements are put in place, commission payments will not exceed 0.75% of the value of the consideration payable for parcels of Riversdale Shares held by retail shareholders who accept the Offer, and will be subject to minimum payments (not exceeding \$50) and maximum payments (not exceeding \$750) for each acceptance.

If a commission is offered, it will be payable to brokers only and subject to the condition that no part of the fee will be able to be passed on, or paid, to Riversdale Shareholders.

If and when RTJ decides to offer such a commission to any broker, it will make an announcement to ASX.

It is RTJ's intention that, if and when an offer of commission has been made to any broker by RTJ, the commission arrangement will remain in place for the balance of the Offer Period and the amount of the commission offered will not be increased during the Offer Period.

7.10 Due diligence on Riversdale

RTJ was invited by Riversdale to carry out a 'due diligence' review of the business and affairs of Riversdale and its subsidiaries in connection with the making of the Offers. During the course of the due diligence, representatives of RTJ inspected certain records and management accounts of Riversdale.

The information obtained by RTJ during this due diligence review is either in the public domain, is disclosed in this Bidder's Statement or is not material to the making of a decision by a Riversdale Shareholder whether or not to accept the Offer.

7.11 Riversdale's material disclosures to ASX

Riversdale is a disclosing entity for the purposes of the Corporations Act and therefore is subject to regular reporting and disclosure obligations.

Annexure A contains a description of each announcement made by Riversdale to ASX between 30 June 2010 (the end date of Riversdale's 2010 financial year) and the date of this Bidder's Statement. If you would like to receive a copy of any of these announcements, please contact the offer information line on 1800 102 639 (callers within Australia) or +61 3 9415 4878 (callers outside Australia) and you will be sent copies free of charge. Information may also be obtained from Riversdale's website at www.riversdalemining.com.au.

7.12 Approvals for payment of consideration

RTJ is not aware of any Riversdale Shareholders who require any approval referred to in clause 2.4 of Part 2 of this Bidder's Statement in order to be entitled to receive any consideration under the Offer.

7.13 Consents

This Bidder's Statement contains statements made by, or statements stated in this Bidder's Statement to be based on statements made by, Rio Tinto. Rio Tinto has consented to the inclusion of such statements in the form and context in which they appear and has not withdrawn that consent as at the date of this Bidder's Statement.

In addition, this Bidder's Statement includes statements which are made in, or based on statements made in, documents lodged with ASIC or on the company announcement platform of ASX by Riversdale and others. Under the terms of ASIC Class Order 01/1543, the parties making those statements are not required to consent to, and have not consented to, the inclusion of those statements in this Bidder's Statement. If you would like to receive a copy of any of these documents, please contact the offer information line on 1800 102 639 (callers within Australia) or +61 3 9415 4878 (callers outside Australia) and you will be sent copies free of charge. Information may also be obtained from Riversdale's website at www.riversdalemining.com.au.

The following persons have given, and have not at the date of this Bidder's Statement withdrawn, their written consent to being named in this Bidder's Statement:

- Minter Ellison – as legal adviser to Rio Tinto; and
- Macquarie Capital Advisers – as financial adviser to Rio Tinto.

Neither of these firms or companies has caused or authorised the issue of this Bidder's Statement or has in any way been involved in the making of the Offer. The Offer is made by RTJ. Each of these firms and companies, to the maximum extent permissible by the law, expressly disclaims and takes no responsibility for any part of this Bidder's Statement.

7.14 Date for determining holders of securities

For the purposes of section 633(2) of the Corporations Act, the date for determining the people to whom information is to be sent under items 6 and 12 of section 633(1) for each Offer is the Record Date.

7.15 Information

Except for the information contained in this Bidder's Statement and in Riversdale's releases to ASX prior to the date of this Bidder's Statement, there is no information known to RTJ which:

- (a) is material to the making of a decision by a holder of Riversdale Shares whether to accept the Offer; and
- (b) has not been previously disclosed to the holders of Riversdale Shares.

Part 2

Terms of the Offer

2

1. Offer

1.1 The Offer

RTJ offers to acquire all of your Riversdale Shares and all the Rights attaching to them on the terms set out in this Offer. This Offer extends to Riversdale Shares that are issued during the period from the Record Date to the end of the Offer Period due to the conversion of, or exercise of rights attached to, Riversdale Options and Rights that are on issue at the Record Date.

1.2 Persons to whom offers are made

RTJ is making an offer in the form of this Offer to:

- (a) each holder of Riversdale Shares registered in Riversdale's register of members at the Record Date; and
- (b) each holder of Riversdale Shares during the Offer Period that were issued:
 - (i) after the Record Date; and
 - (ii) as a result of the conversion of, or exercise of rights attached to, Riversdale Options and Rights that are registered in Riversdale's register of Riversdale Options and Rights Holders at the Record Date.

Accordingly, the Offers and copies of this Bidder's Statement will be sent to holders of Riversdale Shares and Riversdale Options and Rights as at the Record Date.

1.3 Offer Date

This Offer is dated [\[insert date\]](#), being the date on which the first of the Offers is sent to the persons referred to in clause 1.2.

1.4 Offer Period

The Offers will remain open for the one month period:

- (a) starting on the Offer Date; and
- (b) ending at 7.00pm Sydney, Australia time on [\[insert date\]](#),

unless this period is extended in accordance with the Corporations Act or the Offers are withdrawn in accordance with the Corporations Act.

1.5 Extension of the Offer Period

- (a) RTJ may, in its sole discretion, extend the Offer Period in accordance with the Corporations Act.
- (b) If, within the last seven days of the Offer Period:
 - (i) the Offer is varied to improve the consideration offered; or
 - (ii) RTJ's voting power in Riversdale increases to in excess of 50%,

the Offer Period will be automatically extended so that it ends 14 days after the relevant event.

1.6 Conditions

Each Offer is subject to the Conditions in clause 7.1.

1.7 If you have sold any of your Riversdale Shares

If you have sold some or all of your Riversdale Shares when this Offer is made to you, or you sell some or all of your Riversdale Shares during the Offer Period, please refer to clause 4.1.

1.8 If you are a trustee or nominee

If you are a trustee or nominee of some or all of your Riversdale Shares, please refer to clause 4.2.

2. Price

2.1 Price payable

The amount offered for each of your Riversdale Shares is \$16 in cash.

2.2 Time of payment

- (a) If the Acceptance Form does not require you to give another document for your acceptance, RTJ will despatch payment to you for your Riversdale Shares by the end of whichever of the following periods ends earlier:
 - (i) if this Offer is unconditional when you accept this Offer, within one month after the date this Offer is accepted by you;
 - (ii) if this Offer is subject to a defeating condition when you accept this Offer, within one month after the date the takeover contract resulting from your acceptance of this Offer becomes unconditional; and
 - (iii) 21 days after the end of the Offer Period if the takeover contract resulting from your acceptance of this Offer becomes unconditional.

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- (b) If the Acceptance Form requires another document to be given for your acceptance (such as a power of attorney):
- (i) if the document is given with your acceptance, RTJ will despatch payment to you in accordance with clause 2.2(a);
 - (ii) if the document is given after your acceptance and before the end of the Offer Period and this Offer is subject to a defeating condition at the time RTJ is given the document, RTJ will despatch payment to you by the end of whichever of the following periods ends earlier:
 - (A) one month after the date the takeover contract resulting from your acceptance of this Offer becomes unconditional; or
 - (B) 21 days after the end of the Offer Period if the takeover contract resulting from your acceptance of this Offer becomes unconditional;
 - (iii) if the document is given after your acceptance and before the end of the Offer Period and this Offer is unconditional at the time RTJ is given the document, RTJ will despatch payment to you by the end of whichever of the following periods ends earlier:
 - (A) one month after the date that document is given; or
 - (B) 21 days after the end of the Offer Period if the takeover contract resulting from your acceptance of this Offer becomes unconditional;
 - (iv) if the document is given after your acceptance and after the end of the Offer Period and at the time RTJ is given the document the takeover contract is unconditional, RTJ will despatch payment to you within 21 days after the date RTJ is given the document; or
 - (v) if the document is given after your acceptance and after the end of the Offer Period and at the time RTJ is given the document the takeover contract is subject to a defeating condition that relates only to the happening of a Prescribed Occurrence, RTJ will despatch payment to you within 21 days after the date this Offer becomes unconditional.
- (c) Payment will be by cheque in Australian currency. The cheque will be sent to you at your address stated on the Acceptance Form or another address notified by you to RTJ.

2.3 Contract avoided

RTJ may avoid a contract between RTJ and you if RTJ has not been given a document required in the Acceptance Form within one month after the end of the Offer Period.

2.4 Certain overseas residents

If, at the time you accept this Offer, any authority or clearance of the Reserve Bank of Australia, the Australian Taxation Office or the Minister for Foreign Affairs is required for you to receive any consideration under this Offer, or you are resident in, or a resident of, a place to which, or you are a person to whom:

- (a) the *Banking (Foreign Exchange) Regulations 1959* (Cth);
- (b) the *Charter of the United Nations (Terrorism and Dealing with Assets) Regulations 2002* (Cth);
- (c) the *Charter of the United Nations (Sanctions – Afghanistan) Regulations 2001* (Cth);
- (d) the *Iraq (Reconstruction and Repeal of Sanctions) Regulations 2003* (Cth); or
- (e) any other law of Australia that would make it unlawful for RTJ to provide consideration for your Riversdale Shares,

applies, then acceptance of this Offer will not create or transfer to you any right (contractual or contingent) to receive the consideration specified in this Offer unless and until all requisite authorities or clearances have been obtained by you in favour of RTJ.

3. How to accept

3.1 Full acceptance required

Subject to clause 4.2, you may only accept this Offer during the Offer Period for all your Riversdale Shares.

3.2 Acceptance Form

Clauses 3.3 and 3.5 refer, among other things, to the different Acceptance Forms to be used depending on whether your Riversdale Shares are in a CHESS Holding or in an Issuer Sponsored Holding. You will only be sent one Acceptance Form with this Bidder's Statement, which will be the Acceptance Form to be used in relation to your Riversdale Shares.

Part 2

Terms of the Offer

3.3 CHESS Holdings

If your Riversdale Shares are in a CHESS Holding and you are not a Participant, you may:

- (a) instruct your Controlling Participant to initiate acceptance of this Offer for your Riversdale Shares in accordance with Rule 14.14 of the ASX Settlement Operating Rules before the end of the Offer Period; or
- (b) authorise RTJ to instruct your Controlling Participant (usually your broker) on your behalf to initiate acceptance of this Offer in accordance with Rule 14.14 of the ASX Settlement Operating Rules, by completing, signing and returning the enclosed Acceptance Form in accordance with the instructions on it. The Acceptance Form must be received at the address stated on it in sufficient time before the end of the Offer Period (7.00pm Sydney, Australia time on [insert date](#), unless the Offer Period is extended) to enable RTJ to instruct your Controlling Participant to effect acceptance of the Offer for your Riversdale Shares before the end of the Offer Period.

3.4 Participant

If your Riversdale Shares are in a CHESS Holding and you are a Participant, acceptance of this Offer may be initiated in accordance with Rule 14.14 of the ASX Settlement Operating Rules before the end of the Offer Period (7.00pm Sydney, Australia time on [insert date](#), unless the Offer Period is extended).

3.5 Issuer Sponsored Holdings

If you hold Riversdale Shares in an Issuer Sponsored Holding, to accept this Offer you must:

- (a) complete and sign the enclosed Acceptance Form in accordance with the instructions on it; and
- (b) send it, and all other documents required by the instructions on the Acceptance Form, so that they are received before the end of the Offer Period (7.00pm Sydney, Australia time on [insert date](#), unless the Offer Period is extended) at the address stated on the Acceptance Form.

A reply paid return addressed envelope is enclosed for your use.

3.6 Faxed acceptances

You may also send your Acceptance Form by facsimile to RTJ's share registry, Computershare Investor Services Pty Limited, on +61 3 9473 2093.

If your acceptance form is returned by facsimile it will be deemed to be received in time if the facsimile transmission is received before the end of the Offer Period, but you will not be entitled to receive the consideration under this Offer to which you are entitled until your original Acceptance Form (including any documents required by the terms of this Offer and the instructions on the Acceptance Form) is received at the address stated on the Acceptance Form.

3.7 RTJ's discretion regarding incomplete or invalid acceptance

RTJ may, in its absolute discretion, determine that any Acceptance Form it receives is a valid acceptance, even if one or more of the requirements set out in the Acceptance Form has not been complied with or you have been sent (and you have therefore completed) the wrong Acceptance Form for the subregister on which your Riversdale Shares are held, but RTJ may, in its absolute discretion, decide not to pay you until:

- (a) the irregularity has been resolved; and
- (b) the share certificate (if any), or an acceptable indemnity, and any other document required to enable RTJ to be registered as the holder of your Riversdale Shares, have been given to RTJ.

4. Application of this Offer

4.1 If another person is entitled to your Riversdale Shares

If, when this Offer is made to you, or at any time during the Offer Period, another person is, or is entitled to be, registered as the holder of some or all of your Riversdale Shares (**Transferred Shares**), then RTJ will be taken to have:

- (a) made to the other person a corresponding offer for the Transferred Shares;
- (b) made you a corresponding offer for your Riversdale Shares except the Transferred Shares; and
- (c) withdrawn this Offer.

4.2 If you are a trustee or nominee

If at any time during the Offer Period you are a trustee for or nominee of two or more persons or your Riversdale Shares for some other reason consist of two or more separate parcels within the meaning of section 653B of the Corporations Act, then:

- (a) a separate Offer will be taken to have been made to you in relation to each separate and distinct parcel of Riversdale Shares; and
- (b) an acceptance by you of the Offer in respect of any separate parcel of Riversdale Shares will be ineffective unless:
 - (i) you have given RTJ a notice, delivered in accordance with clause 4.3, stating that your Riversdale Shares consist of separate and distinct parcels; and
 - (ii) your acceptance specifies the number of Riversdale Shares in each separate and distinct parcel to which the acceptance relates.

4.3 Notice of separate parcels

A notice in accordance with clause 4.2(b) must:

- (a) if it relates to Riversdale Shares not in a CHES Holding, be in writing; or
- (b) if it relates to Riversdale Shares in a CHES Holding, be in an electronic form approved by the ASX Settlement Operating Rules for the purposes of Part 6.8 of the Corporations Act.

5. Effect of acceptance

By initiating acceptance of this Offer through CHES in accordance with clause 3.3 or 3.4, or signing and returning an Acceptance Form in accordance with clause 3.3, 3.5 or 3.6, you will have:

- (a) accepted this Offer (and each variation of the Offer (if any) permitted under Part 6.6 of the Corporations Act) for all your Riversdale Shares;
- (b) subject to the Conditions in clause 7 being fulfilled, agreed to transfer your Riversdale Shares to RTJ;

(c) represented and warranted to RTJ that:

- (i) your Riversdale Shares are at the time of acceptance, and will be on registration of the transfer of your Riversdale Shares to RTJ, fully paid up, and RTJ will acquire good title to them and full beneficial ownership of them free from all mortgages, charges, liens and other encumbrances and restrictions on transfer of any kind; and
 - (ii) you have full power and capacity to sell and transfer those securities;
- (d) irrevocably and unconditionally authorised RTJ (by its servants or agents) to complete or alter the Acceptance Form on your behalf (and irrevocably and unconditionally appoint RTJ, its directors, secretaries, officers, servants and agents as your attorney for that purpose) by:
- (i) inserting correct details of your Riversdale Shares;
 - (ii) filling in any blanks remaining on the Acceptance Form;
 - (iii) rectifying any error in or omission from the Acceptance Form; and
 - (iv) completing and signing on your behalf (or as your attorney) any other instrument or transfer,
- as may be necessary to make the Acceptance Form an effective acceptance of this Offer or to enable the registration of the transfer of your Riversdale Shares to RTJ;
- (e) if any of your Riversdale Shares are held in a CHES Holding and you have signed an Acceptance Form for them, irrevocably authorised RTJ (by its servants or agents) to:

- (i) instruct your Controlling Participant to initiate acceptance of this Offer for those Riversdale Shares in accordance with the ASX Settlement Operating Rules; and
- (ii) give any other instructions in relation to those Riversdale Shares to your Controlling Participant on your behalf under the Sponsorship Agreement between you and the Controlling Participant as may be necessary to make the Acceptance Form an effective acceptance of this Offer or to enable the registration of the transfer of your Riversdale Shares to RTJ;

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Terms of the Offer

- (f) irrevocably appointed RTJ and its directors, secretaries and officers jointly and each of them severally as your attorney, with effect from the date this Offer or any contract resulting from the acceptance of this Offer is declared free from all its conditions or those conditions are fulfilled, with power to exercise the powers and rights which you could lawfully exercise as the registered holder of your Riversdale Shares, including:
- (i) requesting Riversdale to register your Riversdale Shares in the name of RTJ;
 - (ii) applying for a replacement certificate in respect of any share certificate that has been lost or destroyed;
 - (iii) attending and voting at a meeting of Riversdale;
 - (iv) demanding a poll for a vote taken at or proposing or seconding a resolution to be considered at a meeting of Riversdale;
 - (v) requisitioning a meeting of Riversdale;
 - (vi) signing any form, notice or instrument relating to your Riversdale Shares; and
 - (vii) doing all things incidental and ancillary to any of clauses 5(f)(i) to 5(f)(vi),
- and you acknowledge and agree that the attorney may exercise those powers in the interests of RTJ as the intended registered holder of your Riversdale Shares;
- (g) agreed not to attend or vote in person at any meeting of Riversdale, except as permitted by RTJ, or to exercise or purport to exercise any of the powers conferred on RTJ and its directors, secretaries and officers in clause 5(f);
- (h) irrevocably authorised and directed Riversdale to pay or account to RTJ for all Rights if and when the contract resulting from your acceptance of the Offer becomes unconditional. RTJ will account to you for any Rights received by it if this Offer is withdrawn or the contract resulting from your acceptance of this Offer is rescinded under clause 7.3 or is rendered void under clause 7.6;
- (i) except where Rights have been paid or accounted for under clause 5(h), irrevocably authorised RTJ to deduct from the consideration payable for your Riversdale Shares, the amount or value of all Rights under clauses 6.1 and 6.2;
- (j) irrevocably authorised RTJ to transmit a message to ASX Settlement in accordance with Rule 14.17.1 of the ASX Settlement Operating Rules so as to enter your Riversdale Shares to the Takeover Transferee Holding (even if RTJ has not yet paid the consideration due to you);

- (k) agreed to execute all documents, transfers and assurances as may be necessary or desirable to convey your Riversdale Shares and Rights to RTJ; and
- (l) agreed to fully indemnify RTJ in respect of any claim or action against it or any loss, damage or liability whatsoever incurred by it as a result of you not producing your Holder Identification Number or your Security Reference Number or in consequence of the transfer of your Riversdale Shares to RTJ being registered by Riversdale without production of your Holder Identification Number or your Security Reference Number.

6. Dividends and other entitlements

6.1 Cash Rights

If any cash Rights are declared, paid, made, arise or accrue to you as the holder of your Riversdale Shares, RTJ may reduce the price specified in clause 2.1 by the amount of the Rights, unless the benefit of the Rights is passed to RTJ under clause 5(h).

6.2 Non-cash Rights

If any non-cash Rights are issued, made, arise or accrue to you as the holder of your Riversdale Shares, RTJ may reduce the price specified in clause 2.1 by the value (as reasonably determined by the chair of ASX or his nominee or if such a determination is not made within two weeks of a request being made of them by RTJ, as reasonably determined by RTJ) of the non-cash Rights, unless the benefit of the Rights is passed on to RTJ under clause 5(h).

7. Conditions of the Offer

7.1 Conditions

(a) Minimum acceptance condition

Before the end of the Offer Period, Rio Tinto Group and its Related Entities have relevant interests in excess of 50% of Riversdale Shares then on issue.

(b) FIRB approval

One of the following occurs before the end of the Offer Period:

- (i) RTJ receives a notice from the Treasurer of the Commonwealth of Australia (**Treasurer**) or his agent to the effect that there is no objection to the acquisition of the Riversdale Shares by RTJ or another wholly owned subsidiary of the Rio Tinto Group (by any means permitted by the Corporations Act) under the Commonwealth Government's foreign investment policy, such notice being unconditional;

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- (ii) the period provided under the *Foreign Acquisitions and Takeovers Act 1975* (Cth) (as amended) (FATA) during which the Treasurer may make an order under section 22 of the FATA prohibiting the acquisition of Riversdale Shares by RTJ or another wholly owned subsidiary of the Rio Tinto Group (by any means permitted under the Corporations Act) has elapsed, without such an order being made; or
- (iii) if an interim order prohibiting such acquisition is made, the subsequent period for making a final order prohibiting the acquisition of Riversdale Shares by RTJ or another wholly owned subsidiary of the Rio Tinto Group has elapsed, without such final order being made.
- (c) No material adverse event**
- Except as publicly announced to ASX prior to the Announcement Date or to the extent the information is generally available (within the meaning of section 1042C of the Corporations Act) prior to the Announcement Date, none of the following has happened since 30 June 2010 or happens, is announced, is disclosed or otherwise becomes known to RTJ (whether it becomes public or not) during the period from and including the Announcement Date to the end of the Offer Period:
- (i) any event or circumstance which constitutes or gives rise to or may (upon the passage of time, the fulfilment of any condition, or the giving of notice or taking of any other action by a Mozambique Governmental Authority or any other person) give rise to the suspension, revocation, disclaimer, invalidity, unenforceability, variation, lapse or termination of all or any material rights under any Mining Interest or any material contract or material Project Approval to which Riversdale or any subsidiary of Riversdale is a party;
- (ii) the occurrence of the outbreak of war (including civil war), outbreak of hostilities (whether war is declared or not) or terrorism, mobilisation of armed forces, insurrection, general civil unrest, or similar event in the Republic of Mozambique, or major civil unrest in the Tete province of Mozambique or within 200 kilometres of any of the Projects;
- (iii) the occurrence of the nationalisation or expropriation by a Mozambique Governmental Authority of privately owned or held natural resource exploration or mining rights or other property or rights required for the use or enjoyment of those natural resource exploration or mining rights;
- (iv) the grant of mining or other rights or interests of any kind over all or part of any area covered by or the subject of a Mining Interest to any person other than the holder(s) of that Mining Interest (in that capacity) which materially conflict, or could reasonably be expected to materially conflict, with the enjoyment of the rights conferred, or purported to be conferred, by a Mining Interest;
- (v) without limiting the generality of the foregoing, any event, action, proceeding, circumstance or change in circumstance that (individually or with others) has, or is reasonably likely to have, a material adverse effect on the business, assets, liabilities, financial or trading position, profitability, future production or prospects of Riversdale and its subsidiaries taken as a whole or any Project, including but not limited to any one or more of the following effects:
- (A) when considered together with any related events, occurrences or matters, but disregarding the effects of any unrelated events, occurrences or matters, a diminution in the net assets of the consolidated Riversdale Group by \$200 million or more; or
- (B) a material restraint on or hindrance to the development, timely completion, feasibility, operation, profitability or marketability of a Project; or
- (C) the incurring of any obligations, liabilities, costs or expenses (contingent or otherwise), other than capital expenditure, where the quantum (whether individually or when aggregated with all such other events) exceeds \$100 million.

Part 2

Terms of the Offer

(d) No material acquisitions, disposals, commitments, etc

Between the Announcement Date and the end of the Offer Period, neither Riversdale nor any of its subsidiaries:

- (i) enters into or announces an intention or proposal to enter into or offers to enter into;
- (ii) discloses the existence of; or
- (iii) incurs, becomes subject to, or brings forward the time for performance of (or is reasonably likely to incur, become subject to or bring forward the time for performance of), an obligation or arrangement (other than pursuant to and in the proper discharge of a legally binding obligation entered into and fully disclosed in writing to Riversdale or fully disclosed to ASX prior to the Announcement Date) or a decision by it, whether conditional or otherwise;
- (iv) to acquire an interest in property or other assets for an amount or having a market value in aggregate greater than \$10 million, other than in relation to the Benga Project to the extent disclosed in writing to Rio Tinto before the Announcement Date;
- (v) (without limitation to paragraph (e) below) to Dispose of an interest in any property or other assets (including, without limitation, Minerals) for an amount, or in respect of which the book value (as recorded in Riversdale's balance sheet as at 30 June 2010) is, in aggregate, greater than \$10 million;
- (vi) to perform or acquire the benefit of any services or supplies of goods or services in relation to any asset, Project or business or interest therein where the aggregate financial liability of the Riversdale Group in respect of those services exceeds or may exceed \$5 million or the term of the arrangement exceeds and cannot be terminated within 12 months, other than in relation to the Benga Project to the extent disclosed in writing to Rio Tinto before the Announcement Date;
- (vii) to enter into or terminate, or, in any material respect, amend or waive, any of the terms applicable to, or rights (including any rights of pre-emption or first or last refusal) under, a shareholders agreement, joint-venture, asset or profit-sharing agreement, partnership or joint-selling agreement, merger of business or of corporate entities, or dual listed company structure; or

(viii) to make or incur:

- (A) capital expenditure in relation to the Benga Project of an amount that is 10% or more in excess of the planned capital expenditure disclosed to Rio Tinto prior to the Announcement Date (and whether for an individual item or on an aggregated basis); or
- (B) capital expenditure that is not in relation to the Benga Project and that exceeds the planned capital expenditure disclosed to Rio Tinto prior to the Announcement Date by \$1 million or more (and whether for an individual item or on an aggregated basis),

without Rio Tinto's prior written consent.

(e) No direct or indirect Disposal of or encumbrance over Mining Interests

Between that day that is one month before the Announcement Date and the end of the Offer Period, neither Riversdale nor any of its subsidiaries:

- (i) enters into or announces an intention or proposal to enter into or offers to enter into; or
- (ii) discloses the existence of; or
- (iii) becomes subject to, an obligation or arrangement, whether conditional or otherwise and irrespective of the consideration or value:
- (iv) to Dispose of all or any of, or any interest in, a Mining Interest; or
- (v) to Dispose or issue, or grant an option or other rights over or in respect of, all or any of the shares or other voting or economic interests in any member of the Riversdale Group; or
- (vi) to grant, permit, suffer to subsist or enter into any encumbrance or other security interest over all or any part of, or any interest in, a Mining Interest,

without Rio Tinto's prior written consent.

(f) New mining contract and Mining Interest renewals

- (i) If before the end of the Offer Period:
 - (A) a mining contract ('Contracto Mineiro') has been entered into with the Government of the Republic of Mozambique in relation to Exploration Licence LPP946L; or

-
- (B) any Mining Interest in relation to which a renewal application:
- (I) has been made before and is outstanding on the Announcement Date; or
- (II) is made on or after the Announcement Date, is renewed,
- that mining contract is entered into or (as the case may be) that renewal is granted in favour of, and solely for the benefit of, a wholly owned subsidiary of Riversdale and on terms and conditions that are substantially the same as, or more favourable to Riversdale than, the final draft of that mining contract or (as applicable) the terms and conditions of renewal set out in the renewal application forms or otherwise disclosed by Riversdale to Rio Tinto before the Announcement Date.
- (ii) If before the end of the Offer Period, such a mining contract has not been entered into or such a renewal has not been granted:
- (A) the applicable Mozambique Governmental Authority has not before the end of Offer Period notified or otherwise made known an intention to refuse to enter into the mining contract or grant the renewal; and
- (B) neither the applicable Mozambique Governmental Authority nor any member of the Riversdale Group has before the end of Offer Period notified or otherwise proposed or made known an intention to seek a material change to the terms and conditions of that mining contract or renewal relative to the final draft of that mining contract or (as applicable) the terms and conditions of renewal set out in the renewal application forms or otherwise disclosed by Riversdale to Rio Tinto before the Announcement Date.
- (g) No Prescribed Occurrences**
- Between the period beginning on the date RTJ gives its Bidder's Statement to Riversdale and ending at the end of the Offer Period, none of the following events (each a **Prescribed Occurrence**) occurs in relation to Riversdale or any of its subsidiaries:
- (i) Riversdale converts all or any of the Riversdale Shares into a larger or smaller number of shares;
- (ii) Riversdale or a subsidiary of Riversdale resolves to reduce its share capital in any way;
- (iii) Riversdale or a subsidiary of Riversdale:
- (A) enters into a buy-back agreement; or
- (B) resolves to approve the terms of a buy-back agreement under section 257C(1) or 257D(1) of the Corporations Act;
- (iv) Riversdale or a subsidiary of Riversdale issues shares, or grants an option over its shares, or agrees to make such an issue or grant such an option, other than the issue of shares to satisfy the exercise of any options that are on issue as at the Announcement Date;
- (v) Riversdale or a subsidiary of Riversdale issues, or agrees to issue, convertible notes;
- (vi) (without limitation to paragraph (d) or (e) above) Riversdale or a subsidiary of Riversdale disposes or agrees to dispose of the whole, or a substantial part, of its business or property;
- (vii) Riversdale or a subsidiary of Riversdale charges, or agrees to charge, the whole, or a substantial part, of its business or property;
- (viii) Riversdale or a subsidiary of Riversdale resolves to be wound up;
- (ix) a liquidator or provisional liquidator of Riversdale or of a subsidiary of Riversdale is appointed;
- (x) a court makes an order for the winding up of Riversdale or of a subsidiary of Riversdale;
- (xi) an administrator of Riversdale, or of a subsidiary of Riversdale, is appointed under section 436A, 436B or 436C of the Corporations Act;
- (xii) Riversdale or a subsidiary of Riversdale executes a deed of company arrangement; or
- (xiii) a receiver, a receiver and manager, or other controller (as defined in the Corporations Act) is appointed in relation to the whole, or a substantial part, of the property of Riversdale or of a subsidiary of Riversdale.
- (h) No Prescribed Occurrences between Announcement Date and service of Bidder's Statement**
- Between the period beginning on the Announcement Date up to the date RTJ gives its Bidder's Statement to Riversdale, none of the events listed in sub-paragraphs (g)(i) to (g)(xiii) occurs.

Part 2

Terms of the Offer

(i) Conduct of Riversdale's business

Between the Announcement Date and the end of the Offer Period, none of the following events occurs:

- (i) except as required by law, Riversdale or a subsidiary of Riversdale:
 - (A) increases the remuneration of, or pays any bonus or issues any securities or options to, or otherwise varies the employment agreements with, any of its directors or employees except:
 - (I) as expressly required under the terms of any employment agreement existing as at the Announcement Date; or
 - (II) that the remuneration of employees may be increased provided that:
 - (aa) the remuneration of any one employee is not increased by more than 20% of the remuneration payable to that employee as at the Announcement Date; and
 - (ab) the aggregate of all the increases in remuneration do not exceed 5% of the total remuneration payable by Riversdale to all its employees (including the employees of Riversdale's Related Entities) as at the Announcement Date; or
 - (B) accelerates the rights of any of its directors or employees to benefits of any kind; or
 - (C) pays a director, executive or employee a termination payment, other than as provided for in an existing employment contract;
- (ii) Riversdale or a subsidiary of Riversdale gives or agrees to give a financial benefit to a related party of Riversdale within the meaning of Chapter 2E of the Corporations Act;
- (iii) Riversdale or a subsidiary of Riversdale enters into any arrangement for the borrowing of an amount in excess of \$20 million except as a consequence of the renegotiation of its banking facilities that exist as at the Announcement Date, but without increasing the amount available under those facilities;

- (iv) Riversdale or a subsidiary of Riversdale enters into any arrangement under which Riversdale or a subsidiary of Riversdale may be required to advance or provide financial accommodation to another party, other than in the ordinary course of business;
- (v) Riversdale or any of its subsidiaries exercises or waives any pre-emptive rights or rights of first or last refusal in respect of any shares, assets or property held by another person prior to the final date on which those rights may be exercised;
- (vi) Riversdale declares, pays or distributes any dividend, bonus or other share of its profits or assets by way of dividend, capital reduction or otherwise; or
- (vii) Riversdale or a subsidiary of Riversdale amends its constitution,

without Rio Tinto's prior written consent, unless already specifically disclosed in writing to ASX or Rio Tinto prior to the Announcement Date.

(j) No regulatory action

As at the date on which the bidder gives notice under section 630(3) of the Corporations Act, there is not in effect a final or interim decision, order or decree issued by a Regulatory Authority in consequence of or otherwise relating to the Offer (other than an application or determination by ASIC or the Takeovers Panel in exercise of the powers and discretions conferred by the Corporations Act or if the regulatory action results from action or inaction of RTJ or its Associates) which restrains, prohibits, impedes or otherwise materially adversely impacts on the making of the Offer or the completion of any transaction contemplated by the Bidder's Statement (including the acquisition of Riversdale Shares) or requires the divestiture of any assets of the Riversdale Group or the Rio Tinto Group.

(k) Non-existence or exercise of certain rights

Between the Announcement Date and the end of the Offer Period, there is no person (other than a member of the Rio Tinto Group) having any rights, being entitled to or exercising any rights, alleging an entitlement, or expressing or announcing an intention (whether or not that intention is stated to be a final or determined decision of that person) and in all cases whether subject to conditions or not, as a result of any change of control event in respect of Riversdale (including RTJ acquiring shares in Riversdale) or any of its subsidiaries or assets, to:

- (i) terminate or alter any Mining Interest or any material contract or material Project Approval to which Riversdale or any of its subsidiaries is a party (for this purpose an alteration includes, without limitation, an alteration of the operations of a Mining Interest, material contract or material Project Approval, whether or not that altered operation is provided for under the existing terms of or applicable to the Mining Interest, contract or Project Approval);
- (ii) require the termination, modification or disposal or offer to dispose of any material interest or asset, corporate body, other entity, partnership or joint venture (incorporated or unincorporated); or
- (iii) accelerate or adversely modify the nature or performance of any material obligations of Riversdale or any of its subsidiaries under any Mining Interest or other material contract or material Project Approval.

(l) Equal access to information

At all times between the Announcement Date and the end of the Offer Period, Riversdale promptly (and in any event within two Business Days) provides to RTJ a copy of all material information concerning the Riversdale Group's business and operations that is not generally available (within the meaning of the Corporations Act) and that has not already been provided to Rio Tinto relating to Riversdale or any subsidiary of Riversdale or any of their respective businesses or operations that is provided by Riversdale or any of its Related Entities to any person (other than Rio Tinto or a Regulatory Authority) for the purpose of soliciting, encouraging or facilitating a proposal or offer by that person, or by any other person, in relation to a competing proposal.

(m) Index decline

Between the Announcement Date and the earlier of the end of the Offer Period and 30 April 2011, it is not the case that:

- (i) the S&P/ASX 200 Index falls to 3,900 or less; and
- (ii) the S&P/ASX 200 Index remains at or below that level (at the close of trade) for at least five consecutive Business Days or until the Business Day immediately prior to the earlier of the end of the Offer Period and 30 April 2011.

7.2 Declaration of Offer being free from Conditions

- (a) RTJ may, subject to the Corporations Act, declare this Offer and all other Offers and all contracts resulting from the acceptance of Offers free from the Conditions (or any one or more or any part of them) in clause 7.1.
- (b) Subject to compliance with sections 630 and 650F of the Corporations Act, a declaration made under this clause 7.2(a) must be made by RTJ by notice in writing to Riversdale:
 - (i) in the case of Conditions relating to the happening of a Prescribed Occurrence, not later than three Business Days after the end of the Offer Period; and
 - (ii) in any other case, not less than seven days before the end of the Offer Period.

7.3 Breach of Conditions

Each of the Conditions in clause 7.1 is a condition subsequent (except for the Condition in clause 7.1(b), which is a condition precedent) and does not prevent a contract to sell your Riversdale Shares resulting from an acceptance of this Offer. However, if a Condition in clause 7.1 is breached or not fulfilled, RTJ may by notice in writing to you rescind that contract as if that contract had not been formed.

7.4 Benefit of Conditions

Subject to the Corporations Act:

- (a) RTJ alone has the benefit of the Conditions in clause 7.1; and
- (b) a breach or non-fulfilment of any of those Conditions may be relied on only by RTJ; and
- (c) RTJ may, at its sole discretion, waive the breach or non-fulfilment of all or any of those Conditions.

7.5 Status notice

The date for giving the notice referred to in section 630(1) of the Corporations Act relating to the status of the Conditions in clause 7.1 is [\[insert date\]](#). This date may be extended in accordance with section 630(2) of the Corporations Act if the Offer Period is extended.

Part 2

Terms of the Offer

7.6 Void contracts

If at the end of the Offer Period the Conditions in clause 7.1 have not been fulfilled and RTJ has not declared this Offer and all contracts resulting from the acceptance of Offers free from those Conditions, all contracts resulting from the acceptance of Offers and all Offers that have been accepted from whose acceptance binding contracts have not yet resulted will be automatically void.

In that event RTJ will, if you have accepted this Offer, return at your risk your Acceptance Form together with all documents forwarded by you with the Acceptance Form to your address shown in the Acceptance Form.

8. Withdrawal

RTJ may withdraw this Offer with the written consent of ASIC. That consent may be given subject to any conditions specified in the consent.

9. Variation

9.1 RTJ's entitlement

RTJ may at any time before the end of the Offer Period vary this Offer in accordance with the Corporations Act:

- (a) by extending the Offer Period;
- (b) by increasing the consideration payable under the Offer; and
- (c) with the written consent of ASIC, and subject to any conditions specified by ASIC in that consent, in the manner that ASIC permits.

9.2 Extension of Offer

If RTJ extends the Offer Period, you will receive notice of the extension, unless, at the date of the extension, you have already accepted this Offer and the Offer has become free from the Conditions in clause 7.1 or those Conditions have been fulfilled.

10. Costs

All costs and expenses of the preparation of this statement, and any stamp duty payable on the transfer of Riversdale Shares for which Offers are accepted, will be paid by RTJ.

11. Notices

11.1 Service on Riversdale

RTJ may give a notice to Riversdale under the Bid by leaving it at, or sending it by prepaid ordinary post to, the registered office of Riversdale.

11.2 Service on RTJ

You or Riversdale may give a notice to RTJ under the Bid by leaving it at, or sending it by prepaid ordinary post to, RTJ at the address set out in the Acceptance Form.

11.3 Service on you

RTJ may give a notice to you under the Bid by leaving it at, or sending it by prepaid ordinary post or by airmail (if your address is outside Australia) to, your address given to RTJ by Riversdale under section 641 of the Corporations Act.

12. Governing law

This Offer and any contract resulting from your acceptance of it is governed by the laws in force in New South Wales.

Part 3

Defined terms and interpretation

3

1. Defined terms

In this Bidder's Statement:

Acceptance Form	means the form of acceptance and transfer enclosed with this Bidder's Statement and which forms part of this Offer.
Announcement Date	means 23 December 2010, being the date of the announcement by Rio Tinto of its intention to make the Bid through RTJ.
ASIC	means the Australian Securities and Investments Commission.
Associate	has the meaning given to it in the Corporations Act.
ASX Settlement	means ASX Settlement Pty Limited ABN 49 008 504 532, the body which administers the CHES system in Australia.
ASX Settlement Operating Rules	means the settlement operating rules of ASX Settlement.
ASX	means ASX Limited ABN 98 008 624 691.
Benga Project	means Riversdale's exploration, development and mining project within Mozambique Mining Concession 3365C and associated infrastructure.
Bid	means the off-market bid constituted by the Offers.
Bidder's Statement	means the bidder's statement in respect of the Offers given by RTJ under Part 6.5 of Chapter 6 of the Corporations Act and in compliance with the requirements of sections 636 and 637 of the Corporations Act.
Bid Implementation Agreement	means the agreement of that name entered into between Rio Tinto and Riversdale on 23 December 2010, a summary of which is set out in Section 7.2 of Part 1. BIA has the same meaning.
Business Day	means a day on which banks are open for business in Sydney, Australia but not a Saturday, Sunday or public holiday.
Call Option Shares	has the meaning given in Section 3.1 of Part 1 of this Bidder's Statement.
CGT	means capital gains tax.
CHES	means the Clearing House Electronic Subregister System established and operated by ASX Settlement.
CHES Holding	means a holding of Riversdale Shares on the CHES Subregister of Riversdale (usually a CHES Holding will be through a Controlling Participant).
Conditions	means the conditions of the Offer set out in clause 7.1 of Part 2 of this Bidder's Statement.
Control	has the meaning given under section 50AA of the Corporations Act. Controlled has the same meaning.
Controlling Participant	means, in relation to Riversdale Shares in a CHES Holding, the Participant with whom the holder has a sponsorship agreement as defined in the ASX Settlement Operating Rules (usually, your broker).
Corporations Act	means the <i>Corporations Act 2001</i> (Cth).
Dispose	means, in relation to a Mining Interest or an interest in any property or other asset, a sale, transfer, assignment, novation, disposal, waiver, relinquishment or other dealing or action of any kind by means of which a legal, beneficial, voting or economic interest of any kind in that Mining Interest, property or other asset, whether absolute or by way of security and whether proprietary in nature or merely contractual, is, will or may be conferred on or transferred to another person or waived, relinquished or forfeited by a member of the Riversdale Group, and includes the grant of an option or of a royalty interest, net profit interest or other economic interest in or in relation to a Mining Interest or activities conducted under the authority of any Mining Interest. Disposal has a corresponding meaning.
Exclusivity Period	has the meaning given in paragraph 7.2(k)(ii) of Part 1 of this Bidder's Statement.

Part 3

Defined terms and interpretation

FIRB	means the Foreign Investment Review Board.
Incentive Plans	means the: (a) Riversdale Mining Option 2008 Plan; (b) Riversdale Mining Options and Rights Plan; and (c) Riversdale Mining Deferred Share Plan.
Issuer Sponsored Holding	has the meaning given to that term in the ASX Settlement Operating Rules.
Listing Rules	means the official listing rules of ASX.
Matches the Price	has the meaning given in paragraph 3.1(a) of Part 1 of this Bidder's Statement.
Minerals	means minerals or hydrocarbons of any kind or composition, including but not limited to coal and coal bed methane.
Mining Interest	means any agreement, instrument, lease, tenement, licence, permit, approval, consent, concession, grant, permission, authorisation, renewal or right of any kind and however described issued, granted or entered into by any Mozambique Governmental Authority, which: (a) confers or is expressed or intended to confer a right to explore for, appraise, test, extract, produce, mine, remove, sell, own, export, deal with or otherwise exploit in any way Minerals of any kind and/or to conduct related activities and/or to construct, install or develop and/or operate plant, equipment or facilities of any kind in relation to any such activity; and/or (b) confers or is expressed or intended to confer rights to or in respect of any such agreement, instrument, lease, tenement, licence, permit, approval, consent, concession, grant, permission, authorisation or right which falls within paragraph (a) above or imposes obligations (including without limitation rights in relation to fiscal, environmental or health and safety matters) in respect of any activity referred to in paragraph (a) above, and either: (c) is held (or, according to materials disclosed on ASX as of the Announcement Date or disclosed by Riversdale to Rio Tinto before the Announcement Date, is claimed to be held) by or for the benefit of any member of the Riversdale Group (whether alone or together with any other person or persons); or (d) is issued or granted or entered into by virtue of or in substitution for or which overlaps in whole or part with any such agreement, instrument, lease, tenement, licence, permit, approval, consent, concession or other grant or authorisation falling within paragraph (c) above; or (e) is granted pursuant to a Mining Interest Application.
Mining Interest Applications	means the applications for Mining Interests submitted by Riversdale or a subsidiary of Riversdale to a Mozambique Governmental Authority prior to the Announcement Date each in a form fully disclosed by Riversdale to Rio Tinto prior to the Announcement Date.
Mining Project	means the mining projects of Riversdale or its subsidiaries known as: (a) the Benga Project; (b) the Zambeze Project, (each being a separate Mining Project), involving the commercialisation of Mineral reserves in relation to the Mining Interests held or proposed to be held in relation to the relevant project, including but not limited to the continued exploration for and evaluation and mining of Mineral reserves from or by virtue of such Mining Interests, and the ownership, occupation, construction, testing, repair, operation, maintenance, use and financing of the relevant project, and the processing, treatment, handling, delivery and export of Minerals from such Mining Interests.
Mozambique Governmental Authority	means the Government of Mozambique, governmental or any semi-governmental, administrative, fiscal or judicial entity or authority, minister, department, office, commission, delegate, instrumentality, tribunal, agency, board, authority or organisation of the Government of Mozambique or any of its political sub-divisions.
Offer or RTJ's Offer	means the offer contained in clause 1 of Part 2 of this Bidder's Statement.
Offer Date	means the date referred to in clause 1.3 of Part 2 of this Bidder's Statement.

Offer Period	means the period referred to in clause 1.4 of Part 2 of this Bidder's Statement.
Offer Price	means the price referred to in clause 2.1 of Part 2 of this Bidder's Statement.
Participant	has the meaning given to that term in the ASX Settlement Operating Rules.
Power Project	means the thermal coal fired power station proposed to be constructed on or in the vicinity of Mozambique Mining Concession 3365C and all associated infrastructure.
Pre-Bid Agreement	is defined in Section 3.1 of Part 1 of this Bidder's Statement.
Pre-bid Shareholders	has the meaning given in Section 3.1 of Part 1 of this Bidder's Statement.
Prescribed Occurrence	means an occurrence listed in clause 7.1(g) of Part 2 of this Bidder's Statement.
Project	means each Mining Project and the Power Project.
Project Approval	means any licence, permit, approval, consent, derogation, exemption, concession or other grant or authorisation of any kind required from any Mozambique Governmental Authority in relation to a Mining Interest or a Project, other than a Mining Interest.
Recommending Directors	means all of the directors of Riversdale other than Mr NK Misra.
Record Date	means 7.00pm (Sydney, Australia time) on 5 January 2011, being the date set by RTJ under subsection 633(2) of the Corporations Act.
Regulatory Authority	includes: (a) a government or governmental, semi-governmental, administrative, fiscal or judicial entity or authority; (b) a minister, department, office, commission, delegate, instrumentality, tribunal, agency, board, authority or organisation of any government; (c) any regulatory organisation established under a statute; and (d) in particular, ASX, ASIC and FIRB.
Related Entity	means in relation to a party, any entity that is related to that party within the meaning of section 50 of the Corporations Act or which is an economic entity (as defined in any approved Australian accounting standard) that is Controlled by that party.
Rights	means all accretions and rights that accrue to or arise from Riversdale Shares after the date this Bidder's Statement is lodged with ASIC, including all rights to receive dividends, to receive or subscribe for shares, notes, options or other securities and all other distributions or entitlements declared, paid, made or issued by Riversdale after that date.
Rio Tinto Group	means Rio Tinto plc and Rio Tinto Limited, and each of their respective Related Entities. Rio Tinto has the same meaning.
Rio Tinto Limited	means Rio Tinto Limited ABN 96 004 458 404.
Rio Tinto plc	means Rio Tinto plc (Registered in England No. 719885) of 2 Eastbourne Terrace, London, W2 6LG, United Kingdom.
Riversdale	means Riversdale Mining Limited ABN 53 006 031 161.
Riversdale Controlled Condition	means each of the Conditions in clauses 7.1(d), 7.1(e), 7.1(g), 7.1(h), 7.1(i) and 7.1(l) of Part 2 of this Bidder's Statement.
Riversdale Directors	means the directors of Riversdale. Directors has the same meaning.
Riversdale Group	means Riversdale and its Related Entities.
Riversdale Optionholder	means a holder of Riversdale Options.
Riversdale Options	means options to subscribe for Riversdale Shares granted by Riversdale and existing at the Record Date.

Part 3

Defined terms and interpretation

Riversdale Options and Rights	has the meaning given in Section 4.1 of Part 1 of this Bidder's Statement.
Riversdale Options and Rights Holders	means the holders of Riversdale Options and Rights.
Riversdale Share Appreciation Right	means a right granted under Rule 5 of the Riversdale Mining Options and Rights Plan to acquire such number of Riversdale Shares as determined in accordance with Rule 5.4 of the Riversdale Mining Options and Rights Plan and on terms set out in an invitation to participate in the Riversdale Mining Options and Rights Plan.
Riversdale Share Rights	means rights granted under Rule 5 of the Riversdale Mining Options and Rights Plan to acquire one Riversdale Share on terms set out in an invitation to participate in the Riversdale Mining Options and Rights Plan.
Riversdale Shareholders	means holders of Riversdale Shares.
Riversdale Shares	means fully paid ordinary shares in the capital of Riversdale.
RTJ	means Rio Tinto Jersey Holdings 2010 Limited ARBN 148 135 844 (a company incorporated in Jersey), of La Motte Chambers, St Helier, Jersey, JE1 1PB, Channel Islands.
Takeover Transferee Holding	has the meaning given to that term in the ASX Settlement Operating Rules.
Takeovers Panel	has the meaning given in Section 3.1 of Part 1 of this Bidder's Statement.
Target's Statement	means the target's statement in response to the Offers given by Riversdale under Part 6.5 of Chapter 6 of the Corporations Act.
Tata Steel	means Tata Steel Global Minerals Holdings Pte Ltd (TSGMH).
VWAP	means volume weighted average price.
Zambeze Project	has the meaning given in Section 2.2 of Part 1 of this Bidder's Statement.

2. Interpretation

In this Bidder's Statement, except where the context otherwise requires:

- (a) the singular includes the plural and vice versa and a gender includes other genders;
- (b) another grammatical form of a defined word or expression has a corresponding meaning;
- (c) a reference to a person includes a natural person, partnership, body corporate, association, governmental or local authority or agency or other entity;
- (d) a reference in Part 1 of this Bidder's Statement to a section, paragraph or part is to a section, paragraph or part in Part 1 of this Bidder's Statement;
- (e) a reference in Part 2 of this Bidder's Statement to a clause, paragraph or part is to a clause, paragraph or part of Part 2 of this Bidder's Statement;
- (f) a reference in Part 1 of this Bidder's Statement to an annexure is to an annexure of this Bidder's Statement, and a reference to this Bidder's Statement includes its annexures;
- (g) a reference to \$, A\$, dollars, or cents or ¢ is to Australian currency;
- (h) a reference to a statute, ordinance, code or other law includes regulations and other instruments under it and consolidations, amendments, re-enactments or replacements of any of them; and
- (i) a word or phrase defined in the Corporations Act, the Listing Rules or the ASX Settlement Operating Rules has the meaning given to it in that Act or those rules.

3. Headings

Headings are for ease of reference only and do not affect interpretation.

Signing page

DATED: 10 January 2011

This Bidder's Statement has been approved by a resolution of the Directors of RTJ.

Signed on behalf of RTJ in accordance with section 351 of the Corporations Act.

A handwritten signature in black ink, appearing to be 'Graham Reid', with a small dot above the 'i'.

Graham Reid

Director of Rio Tinto Services Limited (local agent of RTJ)

Annexure A

Riversdale's ASX announcements since 30 June 2010

Date	Announcement
15/07/2010	Request for a trading halt.
15/07/2010	Trading halt granted.
15/07/2010	Media Release by Riversdale in relation to a fully underwritten entitlement offer and placement to raise A\$337 million at a fixed offer price of A\$9.40 per share to facilitate the accelerated development of the Benga Coal Project (Capital Raising).
15/07/2010	Investor Presentation for the Capital Raising.
15/07/2010	Appendix 3B – Issue of ordinary shares under the Capital Raising.
15/07/2010	Cleansing notice under section 708AA of the Corporations Act in relation to the entitlement offer component of the Capital Raising.
19/07/2010	Media Release in relation to the successful completion of the institutional entitlement offer component of the Capital Raising.
19/07/2010	Circular to participating organisations in relation to the Capital Raising.
20/07/2010	Investor Presentation – July 2010 in relation to the Capital Raising.
21/07/2010	Retail Information Booklet in relation to an accelerated non-renounceable pro-rata entitlement offer component of the Capital Raising.
28/07/2010	Quarterly Activities Report for the quarter ending 30 June 2010.
30/07/2010	Cleansing notice under section 708AA of the Corporations Act – issue of ordinary fully paid Riversdale shares to institutional investors under the Capital Raising.
10/08/2010	Media Release – Successful completion of the retail component of an accelerated non-renounceable pro-rata entitlement offer.
16/08/2010	Cleansing notice under section 708AA of the Corporations Act – issue of ordinary shares under the entitlement offer.
16/08/2010	Appendix 3B – Issue of fully paid ordinary shares under the Capital Raising.
16/08/2010	Appendix 3Y – Change of director's interest notice – Andrew Love.
16/08/2010	Appendix 3Y – Change of director's interest notice – Gary Lawler.
16/08/2010	Appendix 3Y – Change of director's interest notice – Steve Mallyon.
23/08/2010	Appendix 4E – Preliminary Final Report for Riversdale for the financial year ended 30 June 2010.
23/08/2010	Media Release accompanying Preliminary Final Report.
24/08/2010	Appendix 3B – Issue of Riversdale Shares upon the exercise of Riversdale Options expiring 19 December 2013.
31/08/2010	Change of substantial holder notice – Tata Steel Global Minerals Holdings Pte Ltd from 21.70% to 23.58%.
01/09/2010	Change of substantial holder notice – Tata Steel Global Minerals Holdings Pte Ltd from 21.70% to 23.58%.
16/09/2010	Corporate Presentation.
23/09/2010	Notice of annual general meeting.
23/09/2010	Annual report for the year ended 30 June 2010.
28/09/2010	Media Release – Results from the first coke tests for the Zambeze Coal Project (EPL 946L) in Mozambique.
01/10/2010	Index announcement by S&P Indices in relation to the removal of Centennial Coal Company Limited (ASX: CEY) from all S&P/ASX indices.
27/10/2010	Quarterly Activities Report for the quarter ending 30 September 2010.
27/10/2010	Riversdale releases a copy of a letter disclosing the Chairman's Address from the Riversdale Annual General Meeting addressed to ASX.
27/10/2010	Letter to ASX – Results of the Riversdale Annual General Meeting.
29/10/2010	Appendix 3B – Issue of Riversdale Shares upon the exercise of Riversdale Options expiring 21 November 2010.
02/11/2010	Appendix 3B – Issue of Riversdale Shares upon the exercise of Riversdale Options expiring 21 November 2010.
04/11/2010	Appendix 3B – Issue of Riversdale Shares upon the exercise of Riversdale Options expiring 21 November 2010.
05/11/2010	Appendix 3B – Issue of Riversdale Shares upon the exercise of Riversdale Options expiring 21 November 2010.
12/11/2010	Appendix 3B – Issue of Riversdale Shares upon the exercise of Riversdale Options expiring 21 November 2010.
17/11/2010	Appendix 3B – Issue of Riversdale Shares upon the exercise of Riversdale Options expiring 4 December 2010.
18/11/2010	Appendix 3B – Issue of Riversdale Shares upon the exercise of Riversdale Options expiring 21 November 2010.
06/12/2010	Media Release – Riversdale discussions with Rio Tinto concerning a possible corporate transaction.
21/12/2010	Riversdale request for trading halt.
23/12/2010	Riversdale request for voluntary suspension from official quotation.
23/12/2010	Reinstatement to official quotation.
23/12/2010	Riversdale announcement of recommended takeover by Rio Tinto.
23/12/2010	Rio Tinto announcement of recommended takeover offer for Riversdale.
24/12/2010	Appendix 3B – Issue of Riversdale Shares upon exercise of Riversdale Options expiring 25 January 2011.
24/12/2010	Appendix 3Y – Change of directors interest notice – Andrew Love.
24/12/2010	Notice of initial substantial holding by Rio Tinto.
29/12/2010	Notice of long position by Samana Capital, L.P.
05/01/2011	Notice under section 633(2)(b) of the Corporations Act 2001 (Cth) by Rio Tinto.
06/01/2011	Riversdale Share Trading Policy.
06/01/2011	Media release – Benga Joint Venture to Secure 100% of the Benga Power Plant.

Corporate Directory for RTJ ARBN 148 135 844

Directors

Ulf Quellmann
Dan Larsen
Ben Mathews

Company Secretary

Matthew Whyte

Registered Office

La Motte Chambers
St Helier Jersey JE1 1PB
Channel Islands

Local agent of RTJ

Rio Tinto Services Limited
Level 33, 120 Collins Street
Melbourne VIC 3000

Share registry for this Offer

Computershare Investor Services Pty Limited
452 Johnston Street
Abbotsford VIC 3067

Financial adviser

Macquarie Capital Advisers Limited
No 1 Martin Place
Sydney NSW 2000

Legal adviser

Minter Ellison
Aurora Place
88 Phillip Street
Sydney NSW 2000

Please return completed form to:
Computershare Investor Services Pty Limited
GPO Box 52 Melbourne
Victoria 8060 Australia
Enquiries (within Australia) 1800 102 639
(outside Australia) +61 3 9415 4878



A

000001
000
SAM
MR JOHN SMITH 1
FLAT 123
123 SAMPLE STREET
THE SAMPLE HILL
SAMPLE ESTATE
SAMPLEVILLE VIC 3030

Holder Identification Number (HIN)



X 1234567890 I N D

Use a **black pen**.
Print in **CAPITAL** letters
inside the grey areas.

A	B	C
1	2	3

For your security keep your SRN/HIN confidential.

Acceptance Form - CHES Holding

This is a personalised form for the sole use of the holder and securityholding recorded below. It is an important document and requires your immediate attention. If you are in doubt about how to deal with it, please consult your financial or other professional adviser. This form relates to an offer ("Offer") by Rio Tinto Jersey Holdings 2010 Limited ("RIO") ARBN 148 135 844 to acquire all of your fully paid ordinary shares ("Shares") in Riversdale Mining Limited ("RIV") ABN 53 006 031 161 pursuant to a Bidder's Statement dated 10 January 2011 and any replacements or supplements (the "Bidder's Statement"). Terms defined in the Bidder's Statement but not in this form have the same meaning as in the Bidder's Statement unless the context requires otherwise.

B Consideration

The consideration applicable is that set out in the terms of the Offer in Part 2 of the Bidder's Statement.

Securityholder details

Subregister

CHES

Your holding in RIV

123456789012

C How to accept

You will be deemed to have accepted the Offer in respect of all your Shares if you sign and return this form.

As you hold your Shares in a CHES holding (see "subregister" above), to accept the Offer you can either:

- Instruct your Controlling Participant directly - normally your stockbroker

or

- Authorise RIO to contact your Controlling Participant on your behalf, which you can do by signing and returning this form. By signing and returning this form you will be deemed to have authorised RIO to contact your Controlling Participant directly.

D Contact details

Please provide your contact details in case we need to speak to you about this form.

Name of contact person

Contact person's daytime telephone number

E Sign here - this section must be signed before we can process this form.

I/We accept the Offer made by Rio Tinto Jersey Holdings 2010 Limited in respect of all of the Shares I/we hold and I/we agree to be bound by the terms and conditions of the Offer (including the instructions as to acceptance of the Offer on the back of this form) and transfer all of my/our Shares to Rio Tinto Jersey Holdings 2010 Limited for the consideration applicable under the terms of the Offer.

Individual or Securityholder 1

Sole Director and Sole Company Secretary

Individual or Securityholder 2

Director

Individual or Securityholder 3

Director/Company Secretary

Rio Tinto Jersey Holdings 2010 Limited reserves the right to make amendments to this form as set out in the Offer terms. Please refer to the lodgement instructions overleaf.

See back of form for completion guidelines



How to complete this form

Acceptance of RIO's Offer

A Registration Details

The Shares are currently registered in the name(s) printed on this form. Your consideration will be issued in the name(s) which appear(s) on RIO's copy of the register. If you have already sold all your Shares shown overleaf, you need not take any further action.

B Consideration

The cash consideration payable is that set out in the terms of the Offer in Part 2 of the Bidder's Statement.

C How to accept

As your Shares are in a CHESS holding, you may contact your Controlling Participant directly (normally your stockbroker) with instructions to accept the Offer. If you do this, you will need to sign and return this Acceptance Form to your Controlling Participant. If you want RIO to contact your Controlling Participant on your behalf, sign and return this form to the address below so that it is received in sufficient time to allow your instruction to be acted upon by no later than 7.00pm (Sydney time) on **<Date>**. This will authorise RIO to instruct your Controlling Participant to initiate acceptance of the Offer on your behalf. If you sign and return this Acceptance Form, you warrant to RIO (and authorise RIO to warrant on your behalf) that you have full legal and beneficial ownership of the Shares to which this Acceptance Form relates and that RIO will acquire them free from all mortgages, charges, liens, encumbrances (whether legal or equitable), restrictions on transfer of any kind and free from any third party rights.

Neither Rio Tinto Jersey Holdings 2010 Limited nor Computershare Investor Services Pty Limited ('CIS') will be responsible for any delays incurred by this process. You should allow sufficient time for your Controlling Participant or RIO to initiate the acceptance of the Offer on your behalf.

D Contact details

Enter the name of a contact person and telephone number. These details will only be used in the event that the registry has a query regarding this form.

E Signature(s)

You must sign the form as follows in the space provided:

- Joint holding: where the holding is in more than one name all of the securityholders must sign.
- Power of Attorney: to sign under Power of Attorney, you must attach a certified copy of the Power of Attorney to this form when you return it.
- Deceased Estate: all executors must sign and, a certified copy of Probate or Letters of Administration must accompany this form.
- Companies: where the company has a Sole Director who is also the Sole Company Secretary, this form must be signed by that person. If the company (pursuant to section 204A of the Corporations Act 2001) does not have a Company Secretary, a Sole Director can also sign alone. Otherwise this form must be signed by a Director jointly with either another Director or a Company Secretary. Please sign in the appropriate place to indicate the office held.

Lodgement of Acceptance Form

If you choose to accept by authorising RIO to contact your Controlling Participant (rather than doing so directly), this Acceptance Form must be received by CIS in sufficient time to allow your instruction to be acted upon by 7.00pm (Sydney time) on **<date>**. You should allow sufficient time for this to occur. Return this Acceptance Form to:

By Mail:

Computershare Investor Services Pty Limited
GPO Box 52
MELBOURNE VIC 8060

By Facsimile:

03 9473 2093 (within Australia) or +61 3 9473 2093 (outside Australia)
(Original forms must still be mailed)

Privacy Statement

Personal information is collected on this form by CIS, as agent for Rio Tinto Jersey Holdings 2010 Limited, for the purpose of maintaining registers of securityholders, facilitating distribution payments and other corporate actions and communications. Your personal information may be disclosed to our related bodies corporate, to external service companies such as print or mail service providers, or as otherwise required or permitted by law. If you would like details of your personal information held by CIS, or you would like to correct information that is inaccurate, incorrect or out of date, please contact CIS. In accordance with the Corporations Act, you may be sent material (including marketing material) approved by Rio Tinto Jersey Holdings 2010 Limited in addition to general corporate communications. You may elect not to receive marketing material by contacting CIS. You can contact CIS using the details provided on the front of this form or e-mail privacy@computershare.com.au

If you have any enquiries concerning the Offer please contact the Rio Tinto Jersey Holdings 2010 Limited Offer Information Line on 1800 102 639 (for callers within Australia) or +61 3 9415 4878 (for callers outside Australia).

Please note this form may not be used to change your address.

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1 T C O

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Please return the completed form in the envelope provided or to the address opposite:

Computershare Investor Services Pty Limited
GPO Box 52
Melbourne Victoria 8060
Australia



Please return completed form to:
Computershare Investor Services Pty Limited
GPO Box 52 Melbourne
Victoria 8060 Australia
Enquiries (within Australia) 1800 102 639
(outside Australia) +61 3 9415 4878



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000001
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SAM
MR JOHN SMITH 1
FLAT 123
123 SAMPLE STREET
THE SAMPLE HILL
SAMPLE ESTATE
SAMPLEVILLE VIC 3030

Securityholder Reference Number (SRN)



I 1234567890 I N D

Use a black pen.
Print in CAPITAL letters
inside the grey areas.

A B C 1 2 3

For your security keep your SRN/HIN confidential.

Acceptance Form - Issuer Sponsored Holding

This is a personalised form for the sole use of the holder and securityholding recorded below. It is an important document and requires your immediate attention. If you are in doubt about how to deal with it, please consult your financial or other professional adviser.

This form relates to an offer ("Offer") by Rio Tinto Jersey Holdings 2010 Limited ("RIO") ARBN 148 135 844 to acquire all of your fully paid ordinary shares ("Shares") in Riversdale Mining Limited ("RIV") ABN 53 006 031 161 pursuant to a Bidder's Statement dated 10 January 2011 and any replacement or supplements (the "Bidder's Statement"). Terms defined in the Bidder's Statement but not in this form have the same meaning as in the Bidder's Statement unless the context requires otherwise.

B Consideration

The consideration applicable is that set out in the terms of the Offer in Part 2 of the Bidder's Statement.

Securityholder details

Subregister
Your holding in RIV

C How to accept

You will be deemed to have accepted the Offer in respect of all your Shares if you sign and return this form.

D Contact details

Please provide your contact details in case we need to speak to you about this form.

Name of contact person

Contact person's daytime telephone number

E Sign here - this section must be signed before we can process this form.

I/We accept the Offer made by Rio Tinto Jersey Holdings 2010 Limited in respect of all of the Shares I/we hold and I/we agree to be bound by the terms and conditions of the Offer (including the instructions as to acceptance of the Offer on the back of this form) and transfer all of my/our Shares to Rio Tinto Jersey Holdings 2010 Limited for the consideration applicable under the terms of the Offer.

Individual or Securityholder 1

Individual or Securityholder 2

Individual or Securityholder 3

Sole Director and Sole Company Secretary

Director

Director/Company Secretary

Rio Tinto Jersey Holdings 2010 Limited reserves the right to make amendments to this form as set out in the Offer terms. Please refer to the lodgement instructions overleaf.

See back of form for completion guidelines



How to complete this form

Acceptance of RIO's Offer

A Registration Details

The Shares are currently registered in the name(s) printed on this form. Your consideration will be issued in the name(s) which appear(s) on RIO's copy of the register.

If you have already sold all your Shares shown overleaf, you need not take any further action.

B Consideration

The cash consideration payable is that set out in the terms of the Offer in Part 2 of the Bidder's Statement.

C How to accept

As your Shares are held in an Issuer Sponsored Holding, simply complete and return this form to the address below so that it is received by no later than 7.00pm (Sydney time) on **<date>**.

If you sign and return this Acceptance Form, you warrant to Rio Tinto Jersey Holdings 2010 Limited (and authorise Rio Tinto Jersey Holdings 2010 Limited to warrant on your behalf) that you have full legal and beneficial ownership of the Shares to which this Acceptance Form relates and that Rio Tinto Jersey Holdings 2010 Limited will acquire them free from all mortgages, charges, liens, encumbrances (whether legal or equitable), restrictions on transfer of any kind and free from any third party rights.

You should allow sufficient time for this completed form to be delivered and received before the above deadline.
Neither Rio Tinto Jersey Holdings 2010 Limited or Computershare Investor Services Pty Limited ('CIS') will be responsible for any delays incurred by this process.

D Contact details

Enter the name of a contact person and telephone number. These details will only be used in the event that the registry has a query regarding this form.

E Signature(s)

You must sign the form as follows in the space provided:

- Joint holding: where the holding is in more than one name all of the securityholders must sign.
- Power of Attorney: to sign under Power of Attorney, you must attach a certified copy of the Power of Attorney to this form when you return it. By signing under Power of Attorney, the attorney declares that he/she has no notice of the revocation of the Power of Attorney.
- Deceased Estate: all executors must sign and, a certified copy of Probate or Letters of Administration must accompany this form.
- Companies: where the company has a Sole Director who is also the Sole Company Secretary, this form must be signed by that person. If the company (pursuant to section 204A of the Corporations Act 2001) does not have a Company Secretary, a Sole Director can sign alone. Otherwise this form must be signed by a Director jointly with either another Director or a Company Secretary. Please sign in the appropriate place to indicate the office held.

Lodgement of Acceptance Form

This Acceptance Form must be received by CIS by no later than 7:00pm (Sydney time) on **<date>** of the Offer Period. You should allow sufficient time for this to occur. Return this Acceptance Form to:

Mail:

Computershare Investor Services Pty Limited
GPO Box 52
MELBOURNE VIC 8060

By Facsimile:

03 9473 2093 (within Australia) or +61 3 9473 2093 (outside Australia)
(Original forms must still be mailed)

Privacy Statement

Personal information is collected on this form by CIS, as agent for Rio Tinto Jersey Holdings 2010 Limited for the purpose of maintaining registers of securityholders, facilitating distribution payments and other corporate actions and communications. Your personal information may be disclosed to our related bodies corporate, to external service companies such as print or mail service providers, or as otherwise required or permitted by law. If you would like details of your personal information held by CIS, or you would like to correct information that is inaccurate, incorrect or out of date, please contact CIS. In accordance with the Corporations Act, you may be sent material (including marketing material) approved by Rio Tinto Jersey Holdings 2010 Limited in addition to general corporate communications. You may elect not to receive marketing material by contacting CIS. You can contact CIS using the details provided on the front of this form or e-mail privacy@computershare.com.au

If you have any enquiries concerning the Offer please contact the Rio Tinto Jersey Holdings 2010 Limited Offer Information Line on 1800 102 639 (for callers within Australia) or +61 3 9415 4878 (for callers outside Australia).

Please note this form may not be used to change your address.

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RIO

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Computershare Investor Services Pty Limited
GPO Box 52
Melbourne Victoria 8060
Australia

