

RIO TINTO

News release...

28 August 2003

Hismelt signs agreement for technology transfer into China

Hismelt Corporation's affiliate Technological Resources Pty Ltd (wholly owned subsidiaries of Rio Tinto) today signed a Hismelt Process Licence with the Laiwu Steel Group Ltd of China to allow for the development of an ironmaking facility using world leading Hismelt technology.

Through this agreement, Laiwu Steel plans to replicate the 800,000 tonnes per year Hismelt Plant currently under construction in Kwinana, Western Australia. The new plant will be constructed at Laiwu City, Shandong Province, China.

Rio Tinto Iron Ore Chief Executive, Mr Chris Renwick, said the signing is a further vote of confidence in Hismelt, as it represents the first external application of the Hismelt process.

Mr Renwick said "This agreement recognises the evolution of the Hismelt technology which has been developed and demonstrated by Rio Tinto in Australia over the past ten years.

"It also reflects the growing awareness of the significant potential of the Hismelt process to revolutionise ironmaking and provide a premium metallic for the global steelmaking industry.

"The agreement will be the first of many opportunities for the Chinese iron and steel industry to take advantage of this new technology. More importantly, it shows that the future is very bright for Australia's deeper economic relationship with China."

Hismelt is a high intensity direct smelting process in which iron ore fines and/or other iron containing materials and non-coking coals are injected directly into a molten iron bath to produce a high quality iron product.

It is a potential replacement for the traditional blast furnace method of ironmaking and a new source of low cost high quality iron units for the electric arc steelmaking industry.

Construction of the Kwinana Hismelt plant, which is owned jointly by Rio Tinto, Nucor Corporation, Mitsubishi Corporation and Shougang Corporation, commenced in January, with commissioning expected by the end of 2004.

.../2

For further information, please contact:

AUSTRALIA

Media Relations

Bruce Larson
Rio Tinto Iron Ore
Office: +61 (0) 8 9327 2574

Ian Head
Office: +61 (0) 3 9283 3620
Mobile: +61 (0) 408 360 101

Investor Relations

Dave Skinner
Office: +61 (0) 3 9283 3628
Mobile: +61 (0) 408 335 309

Daphne Morros
Office: +61 (0) 3 9283 3639
Mobile: +61 (0) 408 360 764

Website: www.riotinto.com

LONDON

Media Relations

Lisa Cullimore
Office: +44 (0) 20 7753 2305
Mobile: +44 (0) 7730 418 385

Investor Relations

Peter Cunningham
Office: +44 (0) 20 7753 2401
Mobile: +44 (0) 7711 596 570

Richard Brimelow
Office: +44 (0) 20 7753 2326
Mobile: +44 (0) 7753 583 825