

Press release

Rio Tinto announces new market development initiative for the Indian diamond industry

Mumbai, August 18 - Rio Tinto's diamond business has reinforced its commitment to the Indian diamond industry with the announcement of a new and innovative marketing initiative focussed on the Indian bridal occasion.

The campaign, titled "Nazraana" was announced at Rio Tinto's recent India 2010 Symposium in Goa. The India Symposium 2010 was a unique opportunity for 58 Indian diamond jewellery retailers to meet with Rio Tinto's Select Diamantaires to discuss new avenues for the distribution of Rio Tinto diamonds in the growing domestic market.

Commenting on the recent Symposium, Jean-Marc Lieberherr, General Manager for the sales and marketing for all diamonds from Rio Tinto's mines said,

"We are very confident in the growth prospects for diamond jewellery consumption in India and the recent Symposium is just one example of how we are working to develop a strong connection with the Indian retail community and deepen our understanding of this important element of the diamond supply chain."

The Nazraana initiative is underpinned by research that supports the fact that, in addition to the traditional bridal jewellery set, there is an emerging demand for diamond accessories as an ideal gift for family and friends celebrating at Indian weddings.

According to Vikram Merchant, Manager of Rio Tinto's India Representative Office,

"We see a great opportunity here to work with Indian jewellery retailers to fill a gap in the market for affordable diamond jewellery accessories for the bridal occasion in India. Rio Tinto's Argyle production is well suited to bridal accessories and we will work with our Select Diamantaires to ensure Indian retailers are supplied with the necessary product and support materials to create this new market segment."

The Nazraana initiative provides a structured training program for Indian retailers and their sales associates that will guide them in achieving incremental sales, without impacting the main bridal sale. The program includes selling and visual merchandising techniques and will be conducted at venues all over India.

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Notes to editors

About Rio Tinto Diamonds

Rio Tinto is one of the world's major diamond producers through its 100 per cent control of the Argyle mine in Australia, 60 per cent of the Diavik mine in Canada, a 78 per cent interest in the Murowa mine in Africa and 100% interest in its Bunder project in Madhya Pradesh.

Rio Tinto's diamond productions are sorted and sold through its sales and marketing headquarters in Antwerp, Belgium with representative offices in Mumbai, Hong Kong and New York a pink diamond cutting and polishing facility in Perth, Western Australia.

Rio Tinto Diamonds is a leading supporter of the Kimberley Process as well as a founding member of Responsible Jewellery Council.

Website: www.riotintodiamonds.com

About Rio Tinto's India Representative Office

Rio Tinto's India Representative Office in Mumbai office was opened in 1989 in recognition of the growing importance of India as major trading partner and diamond cutting centre. Rio Tinto undertook its initial cutting tests for the Argyle diamond production in India, fostered strong customer relationships, and worked in partnership with the Indian industry to build innovative marketing programs.

Examples of other Rio Tinto initiatives undertaken in partnership with the Indian diamond industry include the launch of the Indo Argyle Diamond Council (IADC) in 1993, to create awareness and acceptance of Indian made diamond jewellery in the US, and in the groundbreaking Business Excellence Model (BEM) to drive safety, product assurance, quality management and continuous improvement in the diamond and jewellery manufacturing industries and retail trade in India.