M0450004

Rio Tinto

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DEC 21 2011
DIV. OF OIL, GAS & MINING

Penny Berry
State of Utah
Department of Natural Resources
Division of Oil, Gas and Mining
1594 West North Temple Suite 1210
Box 145801
Salt Lake City, Utah 84114-5801

December 20th, 2011

RE: New Bond Issue / Bond Amendment

Dear Ms. Berry,

Please find enclosed Bond No in the amount of USD 134,905, issued by Fidelity and Deposit Co. of Maryland. This bond is in relation to Permit No. M-045-004 for the Pine Canyon/Carr Folk Mine Site. This bond ensures complete coverage of the existing Letter of Credit No. issued by Wells Fargo. Given the issuance of Bond No. it is requested that you provide a release for LOC No. . After your assessment and acceptance, can you please send a release letter along with the original LOC No. to my attention at:

Usman Naeem
Principal Analyst, Corporate Finance,
Rio Tinto
1188 Sherbrooke Street West
Montreal, Canada H3A 3G2

In addition, please find enclosed the amendment to Bond No. reflecting an increase of USD 1,791,733 of the covered amount, resulting in a new total amount of USD 22,166,333. This increase is in relation to the North Tailings Impoundment – Permit No. M/035/0015 at Tooele County.

Should you have any questions or comments regarding the new bond issue or the amendment, please contact me at 514-847-3077 or usman.naeem@riotinto.com.

Yours sincerely,

Usman Naeem
Principal Analyst – Treasury, Rio Tinto

Enclosed,

From: Paul Baker
To: Berry, Penny
Date: 1/3/2012 9:13 AM
Subject: Kennecott Bond Amounts

The amounts should be $134,905 and $22,166,333 using a straight escalation at 1.7% for five years.

Paul Baker
Minerals Program Manager
Utah Division of Oil, Gas and Mining
801-538-5261
Fax 801-359-3940
Normal work hours MTWF 7 AM to 6 PM; off Thursdays.
Office hours M-F 8 AM to 5 PM