





The La Granja copper project is located in the district of Querocoto, in the province of Chota, in the region of Cajamarca. The Rio Tinto Group obtained the project in late January 2006 through a public bidding process carried out by the Peruvian Government. Rio Tinto has incorporated a company called "Rio Tinto Minera Perú Limitada SAC" (Rio Tinto – La Granja) to evaluate and possibly develop La Granja. The central area of the deposit was defined by prior drilling. Rio Tinto – La Granja is currently studying the viability of mining this area, even as it continues to explore peripheral zones. Upon completion of this stage, the project expects to have gathered the information necessary to make a decision on whether and how to develop the mining operations.

Location and Geography

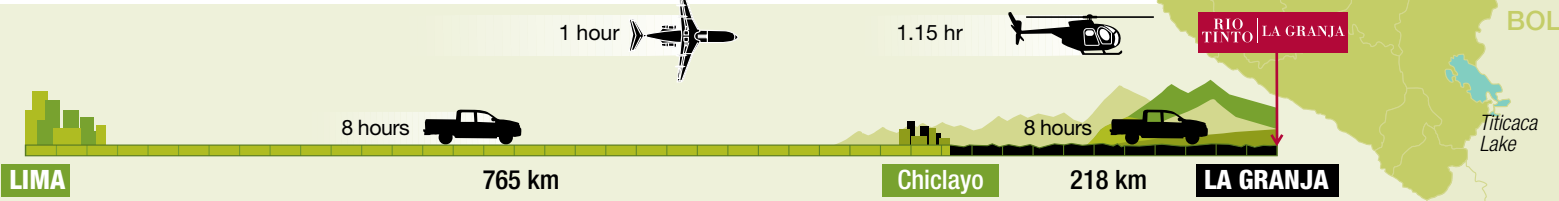
The project was named after the closest community to the exploration camp, La Granja, which is 25 km. from the city of Querocoto. The complicated access to the site, however, requires a one and a half hour trip from the district capital to the project site.

The Project in figures

-  Mining concession
3,900 hectares
-  Altitude
2,000 m.a.s.l.
-  Annual precipitation
989 mm
-  Average annual temperature
17,1°C



Access: Distances and travel time

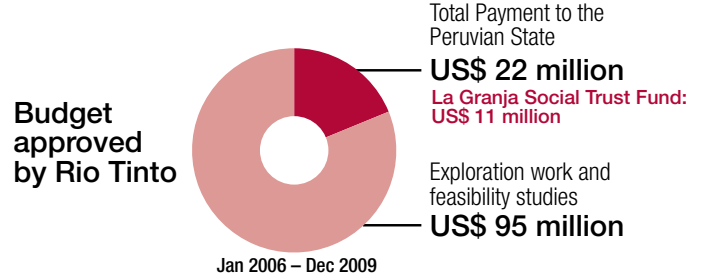
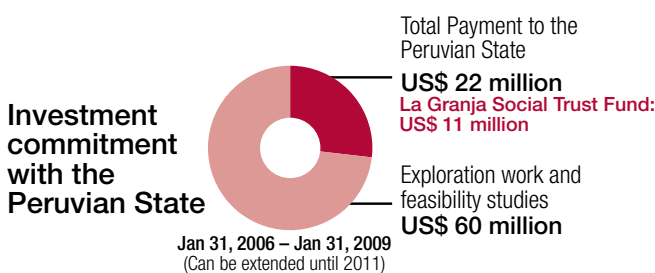


► Mining Potential

La Granja Project involves a porphyry type copper deposit, with an estimated target mineralization of about 3,500 Mt. at an average copper grade of 0.55%. That means it is a deposit with a considerable amount of mineralization, but with a low grade.

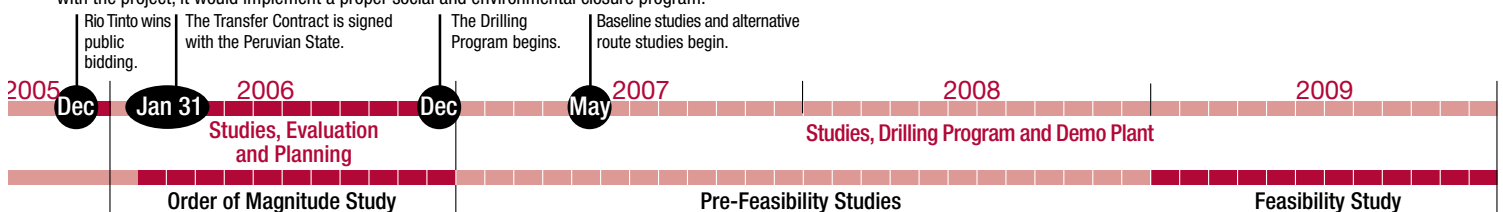
► Investment Commitment

La Granja has undertaken to pay the Peruvian Government US\$22 million, of which 50% will go towards the La Granja Social Trust Fund, created by the Peruvian State to undertake sustainable development projects in the district of Querocoto.



Project Stages: exploration phase. Estimated and variable dates.

Upon completion of the exploration phase –and, depending on the results of the studies conducted– Rio Tinto-La Granja will decide whether or not to undertake the project. If it were to choose not to proceed with the project, it would implement a proper social and environmental closure program.





View of Cerro Paja Blanca (West to East). La Granja, 2007.



Dialogue and Participation Policy

Our policy is to maintain a constant dialogue with the community.

The Rio Tinto – La Granja team is meeting on an ongoing and timely basis with the communities in the area of direct influence of the project, with their authorities, and with representative organizations of civil society. The Project's goal is to develop lasting relationships with its neighbors, which are characterized by mutual respect, broad and active participation, and long-term commitment.

Rio Tinto – La Granja encourages the hiring of local labor and ensures a fair and equitable transfer of benefits. It also seeks to increase economic and social opportunities for the community at large and supports initiatives to strengthen individual competencies, as well as those of the local authorities.

The Project's most important neighbors are the people who live within its area of direct influence. A consultation process is underway to assist the communities in prioritizing their needs. Joint programs that aim to entail significant community participation and shared responsibilities are also being executed.



Sustainable Development

The goal is to maximize the possibilities of local development while implementing the La Granja Project.

Rio Tinto – La Granja is committed to: managing and conducting its exploration activities in a responsible manner, protecting the health and safety of its employees and neighbors; minimizing environmental impact and interacting in a positive and constructive manner with the local communities.

The company seeks to develop the project in a manner that maximizes local development possibilities, focusing primarily on sustainable improvements in health and education, as well as the strengthening of the skills and capabilities of the local population.



Environment

Water monitoring is carried out in the four communities located within the direct area of influence.

Environmental excellence is essential to guarantee the success of the La Granja project. That's why baseline studies are being carried out to identify, evaluate, and manage environmental risks. Creating social awareness is crucial to the Project.

Rio Tinto – La Granja endeavors to promote local participation in environmental protection efforts. Environmental Committees, in which the community members work together with the Rio Tinto - La Granja team, have been created. Among their activities are water quality monitoring and proper waste management.



Health and Safety

Local workers also contribute to achieve the highest health and safety standards.

Rio Tinto – La Granja is committed to achieving the highest international safety standards. The company is building a culture of preventive safety that demands visible leadership, ongoing education and training, and a high level of participation by all of our workers. To achieve these goals, comprehensive prevention systems have been established, and high-risk activities have been identified in the different areas of the company.

Rio Tinto in the World



- ▶ A leading company in **finding**, mining, and processing mineral resources.
- ▶ Operates in **40** countries across all **5** continents.
- ▶ **Engaged in the production** of aluminum, copper, diamonds, coal, uranium, gold, iron, and industrial minerals.
- ▶ **Supplies** essential minerals and metals to help meet market demands, **contributing to improve** living standards.
- ▶ In Peru, through its Exploration division, it has carried out exploration activities since **1994**, covering almost the entire country.

RIO TINTO | **LA GRANJA**

Contact Data

Communications and External
Relations Management

comunicaciones.lagranja@riotinto.com
Av. Larco 1301, piso 15
Miraflores, Lima 18, Perú
Telephone: +51.1.610-7878
Fax: +51.1.610-7880
www.riotinto.com