

Company No: 05524741

RIO TINTO VOSTOK LIMITED
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2008

October 2009

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COMPANY INFORMATION

DIRECTORS:	Mr D S Larsen Mr B J S Mathews Mr U Quellmann Mr A Zur
SECRETARY:	Mr R P Dowding
REGISTERED OFFICE:	2 Eastbourne Terrace London W2 6LG
AUDITORS:	PricewaterhouseCoopers LLP 1 Embankment Place London WC2N 6RH

REPORT OF THE DIRECTORS

The directors present their Annual report, together with the audited financial statements for the year ended 31 December 2008.

BUSINESS REVIEW

Rio Tinto Vostok Limited ("the Company") is a wholly owned subsidiary of Rio Tinto Minerals Development Limited and maintains a representative office in Moscow that provides services to other members of the Rio Tinto Group ("the Group").

The Company's future developments are integrated with those of the Group which are discussed in its 2008 Annual report and Full financial statements which do not form part of this report.

The profit for the year was \$78,000 (2007: \$55,000).

No interim dividend was paid during the period. The directors do not recommend the payment of a final dividend.

PRINCIPAL RISKS AND UNCERTAINTIES

The Company's principal risks and uncertainties are integrated with those of the Group and are not managed separately. The principal risks and uncertainties of the full Group are discussed in its 2008 Annual report and Full financial statements which do not form part of this report.

KEY PERFORMANCE INDICATORS

The Company's directors are of the opinion that there are no meaningful financial or non financial key performance indicators that would be necessary or appropriate for an understanding of the development, performance or position of the Company's activities.

DIRECTORS

The names of the directors in office at the date of this report are shown on page 2.

Mr U Quellmann was appointed as a director on 25 April 2008. Mr I Ratnage resigned as a director on 25 April 2008 and Mr C Lenon resigned on 8 December 2008.

No director had a material interest in any contract or arrangement during the period to which the Company or any subsidiary is or was a party.

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The directors are required to prepare financial statements for each financial period that give a true and fair view of the state of affairs of the Company as at the end of the financial period and of the profit or loss for that period. The financial statements have been prepared on the going concern basis as the directors have satisfied themselves that the Company has access to adequate financial resources to continue in operational existence for the foreseeable future.

REPORT OF THE DIRECTORS (continued)**STATEMENT OF DIRECTORS' RESPONSIBILITIES (continued)**

The directors consider that the 2008 Annual report and financial statements present a true and fair view and have been prepared in accordance with applicable accounting standards, using the most appropriate accounting policies, and supported by reasonable and prudent judgements and estimates. The accounting policies have been consistently applied.

The directors are responsible for maintaining proper accounting records in accordance with the Companies Act 1985. They have a general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the Company and to prevent and detect fraud and other irregularities.

INDEMNITIES AND INSURANCE

The Group has purchased directors' and officers' insurance during the year to indemnify individual directors' and officers' personal legal liability and costs for claims arising out of actions taken in connection with the Group's business.

AUDITORS AND DISCLOSURE OF INFORMATION TO AUDITORS

The auditors, PricewaterhouseCoopers LLP, are deemed to have been re-appointed in accordance with an elective resolution passed under Section 386 of the Companies Act 1985 which continues in force under the Companies Act 2006, at the end of the period of 28 days beginning on the day on which copies of this report and financial statements are sent to members unless a resolution is passed under Section 510 of the Companies Act 2006 to the effect that their appointment be brought to an end.

In so far as the directors are aware:

- there is no relevant audit information of which the Company's auditors are unaware; and
- the directors have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

By order of the Board



R P Dowding
Secretary
2 Eastbourne Terrace
London
W2 6LG
9 October 2009

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF
RIO TINTO VOSTOK LIMITED**

We have audited the financial statements of Rio Tinto Vostok Limited for the year ended 31 December 2008 which comprise the Profit and Loss Account, the Balance Sheet, and the related notes. These financial statements have been prepared under the accounting policies set out therein.

Respective responsibilities of directors and auditors

The directors' responsibilities for preparing the Annual report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) are set out in the Statement of Directors' Responsibilities.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland). This report, including the opinion, has been prepared for and only for the Company's members as a body in accordance with Section 235 of the Companies Act 1985 and for no other purpose. We do not, in giving this opinion, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you whether in our opinion the information given in the Report of the Directors is consistent with the financial statements.

In addition we report to you if, in our opinion, the Company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and other transactions is not disclosed.

We read other information contained in the Annual report, and consider whether it is consistent with the audited financial statements. This other information comprises only the Report of the Directors and the Company Information page. We consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with the financial statements. Our responsibilities do not extend to any other information.

Basis of audit opinion

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the Company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

Opinion

In our opinion:

- the financial statements give a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice, of the state of the Company's affairs as at 31 December 2008 and of its result for the year then ended;
- the financial statements have been properly prepared in accordance with the Companies Act 1985; and
- the information given in the Report of the Directors is consistent with the financial statements.

PricewaterhouseCoopers LLP

PricewaterhouseCoopers LLP
Chartered Accountants and Registered Auditors
London
9 October 2009

**PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31 DECEMBER 2008**

	Note	<u>2008</u> \$000	<u>2007</u> \$000
Turnover		516	493
Operating costs		(438)	(439)
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION	2	78	54
Taxation on profit on ordinary activities	4	-	1
PROFIT FOR THE YEAR		<u>78</u>	<u>55</u>

The notes on pages 8 to 12 form part of these financial statements.

The Company has no recognised gains and losses other than those included in the profit and loss account above and therefore no separate statement of total recognised gains and losses has been presented.

There is no difference between the profit on ordinary activities before tax and the profit for the period as stated above, and their historical cost equivalents.

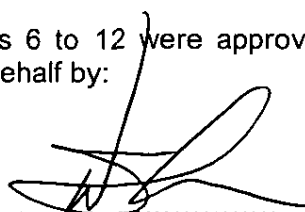
All items dealt with in the above profit and loss account relate to continuing operations.

**BALANCE SHEET
AS AT 31 DECEMBER 2008**

	Note	<u>2008</u> \$000	<u>2007</u> \$000
FIXED ASSETS	5	<u>23</u>	<u>40</u>
CURRENT ASSETS			
Debtors	6	4	278
Cash at bank		678	490
		<u>682</u>	<u>768</u>
CREDITORS : Amount due within one year	7	(566)	(747)
NET CURRENT ASSETS		<u>116</u>	<u>21</u>
NET ASSETS		<u>139</u>	<u>61</u>
CAPITAL AND RESERVES			
Called up share capital	9	-	-
Profit and loss account	10	139	61
EQUITY SHAREHOLDERS' FUNDS		<u>139</u>	<u>61</u>

The notes on pages 8 to 12 form part of these financial statements.

The financial statements on pages 6 to 12 were approved by the Board of Directors on 9 October 2009 and signed on its behalf by:



Dan Larsen
Director

NOTES TO THE 2008 FINANCIAL STATEMENTS

1. ACCOUNTING POLICIESa) Basis of accounting

These financial statements are prepared on a going concern basis, under the historical cost convention and in accordance with the Companies Act 1985 and applicable UK accounting standards. The directors have reviewed the Company's existing accounting policies and consider that they are suitable. The principal accounting policies have been applied consistently.

b) Turnover

Turnover for the year represents fees receivable in respect of services provided to a group Company.

c) Presentation currency

The principal currency affecting the Company's operations is the US dollar, and all financing provided to / by the Company is denominated in the US dollar. Accordingly, the directors regard the US dollar as the principal currency affecting the Company's own cash flows. As a result, the financial statements are presented in US dollars. The year end exchange rate was US\$1.44: £1 (31 December 2007 US\$1.99: £1).

d) Currency translation

Transactions denominated in foreign currencies are translated at the rate of exchange ruling on the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated at the rates of exchange ruling at the end of the financial period. Exchange differences are dealt with in the profit and loss account.

e) Depreciation

Depreciation is provided on a straight-line basis over each asset's estimated useful economic life, with annual rates varying between 20% and 25%.

f) Taxation

The Company pays for any group relief received only where it is justified by commercial circumstances.

g) Deferred tax

Full provision is made for deferred taxation on all timing differences that have arisen but not reversed at the balance sheet date, except that deferred tax assets are only recognised to the extent that it is more likely than not that they will be recovered. Deferred tax is recognised on an undiscounted basis.

NOTES TO THE 2008 FINANCIAL STATEMENTS (continued)

2. OPERATING PROFIT

The operating profit is stated after charging the:

	<u>2008</u> \$000	<u>2007</u> \$000
Staff costs:		
Wages and salaries	257	181
Social security contributions	18	23
Staff costs	<u>275</u>	<u>204</u>
Depreciation	17	17
Other costs	<u>146</u>	<u>218</u>
	<u>438</u>	<u>439</u>

- a) The average number of person employed during the year, excluding directors, was 1. The staff cost include recharges from a fellow group company for an employee working on behalf of the company. All employees work outside the United Kingdom.
- b) The auditors' remuneration of \$9,518 (2007:\$11,040) is borne by a fellow group undertaking.

3. DIRECTORS' EMOLUMENTS

	<u>2008</u> \$000	<u>2007</u> \$000
(a) <u>Aggregate remuneration of the directors:</u>		
Aggregate emoluments	190	195

	<u>2008</u>	<u>2007</u>
The number of directors to whom retirement benefits are accruing under defined benefit pension schemes in respect of qualifying services	1	1

	<u>2008</u> \$000	<u>2007</u> \$000
(b) <u>Highest paid director</u>		

Aggregate emoluments and benefits (excluding gains on exercise of share options and value of shares) received under long-term incentive schemes.	190	195
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Accrued pension entitlement on retirement (per annum)	65	-
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NOTES TO THE 2008 FINANCIAL STATEMENTS (continued)

4. TAXATION ON PROFIT OF ORDINARY ACTIVITIES

	<u>2008</u> \$000	<u>2007</u> \$000
Current tax		
UK corporation tax on profit of the period	-	-
Deferred tax		
Origination and reversal of timing differences	-	(1)
Tax on profit on ordinary activities	-	(1)

The tax assessed for the year is higher than the standard rate of corporation tax in the UK of 28.5% (2007: 30%). The differences are explained below.

	<u>2008</u> \$000	<u>2007</u> \$000
Profit on ordinary activities before tax	78	54
Profit on ordinary activities multiplied by standard rate of tax in the UK of 28.5% (2007: 30%)	22	16
Effects of:		
Accelerated capital allowances and other timing differences	3	1
Group relief received for nil consideration	(25)	(17)
Current tax charge for the year	-	-

Legislation was enacted in 2007 that reduced the UK statutory corporation tax rate to 28%, effective 1 April 2008.

NOTES TO THE 2008 FINANCIAL STATEMENTS (continued)

5. FIXED ASSETS

	Motor Vehicles \$000	Office Equipment \$000	Total \$000
Cost			
At 1 January and 31 December	<u>57</u>	<u>5</u>	<u>62</u>
Depreciation			
At 1 January	(21)	(1)	(22)
Charge	(16)	(1)	(17)
	<u> </u>	<u> </u>	<u> </u>
At 31 December	<u>(37)</u>	<u>(2)</u>	<u>(39)</u>
Net book value			
At 1 January	<u>36</u>	<u>4</u>	<u>40</u>
31 December	<u>20</u>	<u>3</u>	<u>23</u>

6. DEBTORS

	<u>2008</u> \$000	<u>2007</u> \$000
Amounts due from ultimate parent undertaking	<u>4</u>	<u>278</u>

7. CREDITORS: Amounts falling due within one year:

	<u>2008</u> \$000	<u>2007</u> \$000
Amounts payable to parent and fellow subsidiary undertaking	566	504
Accruals	-	243
	<u>566</u>	<u>747</u>

8. DEFERRED TAX

	<u>2008</u> \$000	<u>2007</u> \$000
At 1 January	-	1
Deferred tax charge (note 4)		(1)
	<u> </u>	<u> </u>
At 31 December	<u>-</u>	<u>-</u>

NOTES TO THE 2008 FINANCIAL STATEMENTS (continued)

9. SHARE CAPITAL AND RESERVES

	<u>2008</u> \$000	<u>2007</u> \$000
Authorised 1,000 Ordinary shares of \$1.00 each	<u>1</u>	<u>1</u>
Issued and fully paid 2 Ordinary shares of \$1.00 each	<u>-</u>	<u>-</u>

10. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	Share capital \$000	Profit and loss account \$000	Total \$000
1 January	-	61	61
Profit for the year	-	78	78
	<u>-</u>	<u>139</u>	<u>139</u>
At 31 December	-	139	139

11. CASH FLOW STATEMENT AND RELATED PARTY TRANSACTIONS

The financial statements do not include a cash flow statement because the Company is a wholly owned subsidiary and the conditions of Financial Reporting Standard 1 exempting inclusion are satisfied. The Company is also exempt under the terms of Financial Reporting Standard 8 from disclosing related party transactions with entities that are part of the Rio Tinto Group or investees of the Rio Tinto Group.

12. ULTIMATE PARENT UNDERTAKING

The immediate parent company is Rio Tinto Minerals Development Limited. The ultimate parent undertaking and controlling party is Rio Tinto plc, which is the parent undertaking of the smallest and largest group to consolidate these financial statements. The Group's consolidated financial statements can be obtained from its registered office at 2 Eastbourne Terrace, London, W2 6LG, or from the Rio Tinto website at www.riotinto.com.