Koodaideri 38W/21W - Table 1

The following table provides a summary of important assessment and reporting criteria used at the Koodaideri 38W/21W deposit for the reporting of Mineral Resources and Ore Reserves in accordance with the Table 1 checklist in The Australasian Code for the Reporting of Exploration Results, Mineral Resources and Ore Reserves (The JORC Code, 2012 Edition). Criteria in each section apply to all preceding and succeeding sections.

SECTION 1 SAMPLING TECHNIQUES AND DATA

Criteria	Commentary
Sampling techniques	• Samples for geological logging, assay, metallurgical and density test work are collected via drilling. • Drilling is conducted on regularly spaced grids across the deposit. All intervals are sampled. • Reverse circulation drilling utilises a static or rotary cone splitter beneath a cyclone return system to obtain a primary and secondary sample, with particular attention on samples collected being of comparable weights. The splitter produces two 8% samples ('A' and 'B') and one 84% reject sample. Primary 'A' sample was collected at 2 m intervals through 8% blades from the outer cone of splitter. • Diamond core drilling uses double and triple-tube techniques and samples were taken at 1 meter intervals. • Dry core density samples are collected via diamond core drilling of HQ-3 core. • Metallurgical core samples are collected via diamond core drilling of PQ-3 core. • Dry bulk density is derived from accepted gamma-density data collected at 10 cm intervals from down-hole geophysical sondes. Density measured from accepted gamma-density is corrected for moisture from diamond drill core twinned with reverse circulation drilling. • Mineralisation is determined by a combination of geological logging and assay results.
Drilling techniques	• Drilling is predominantly reverse circulation with the remainder diamond drill core (Refer to Section 2, Drill hole Information, for a detailed breakdown of drilling by method and year). • Reverse circulation drilling utilises 140 mm diameter face sampling bit with sample shroud, attached to pneumatic piston hammer used to penetrate ground and deliver sample up 6 m drill rod inner tubes (4 m starter rod) through to the cyclone and cone splitter with the aid of rig and auxiliary booster compressed air. • Wet drilling was introduced in 2013, pre-2013, predominantly dry drilling. • The majority of drilling is oriented vertically. • Diamond drilling was a combination of HQ and PQ core sizes (HQ-3 = 61.1 mm core diameter and PQ-3 = 83.0 mm core diameter) using double and triple tube techniques.
Drill sample recovery	• No direct recovery measurements of reserve circulation samples are performed. Sample weights are recorded at laboratory as sample received and at the rig is qualitatively estimated for loss per drilling interval • Diamond core recovery is maximised via the use of triple-tube sampling and additive drilling muds. • Diamond core recovery is recorded using rock quality designation (RQD) measurements with all cavities and core loss recorded in the Rio Tinto Iron Ore acQuire™ database. • Sample recovery in some friable mineralisation may be reduced; however it is unlikely to have a material impact on the reported assays for these intervals. • Thorough analysis of duplicate sample performance does not indicate any chemical bias as a result of inequalities in samples weights.
Logging	• All drill holes are geologically logged utilising standard Rio Tinto Iron Ore Material Type Classification Scheme (RTIO MTCS) logging codes and entered into the acQuire™ database package on field Toughbook laptops. • Internal training and validation of logging includes RTIO MTCS identification and calibration workshops, peer reviews and validation of logging verses assay results. • Geological logging is performed on 2 m intervals for all reverse circulation drilling, and either 1 m or 2 m intervals for diamond holes, depending on the level of detail required. • All diamond drill core is photographed digitally and files stored on Rio Tinto network servers. • Magnetic Susceptibility readings taken using a Kappameter for each interval. • Since 2001, all drill holes have been geophysically logged using downhole tools for gamma trace, calliper, gamma density, resistivity, and magnetic susceptibility. • Open-hole acoustic and optical televiewer image data have been collected in specific reverse circulation and diamond drill core holes throughout the deposit for structural

Criteria	Commentary
	analyses.

Sub-sampling techniques and sample preparation	Sub-sampling techniques:
	• Reverse circulation drilling samples were collected using a static or rotary cone splitter beneath a cyclone return system, producing approximate splits of:
	  ○ 'A' Split – Analytical sample – 8%
	  ○ 'B' Split – Retention sample – 8%
	  ○ Bulk Reject – 84%.
	
	Sample preparation:
	• 'A' split sample dried at 105° C.
	• Sample crushed to -3 mm using Boyd Crusher and split using a linear and rotary sample divider to capture 1 – 2.5 kg samples.
	• Robotic and Manual LM5 used to pulverise total sample (1 – 2.5 kg) to 90% of weight passing 150 micrometers (μm) sieve.
	• A 100 gram sub sample collected for analysis.
	• Diamond drill core samples are crushed to -6 mm particle size (whole core sample) and follow reverse circulation sample preparation if they are to be assayed.

Quality of assay data and laboratory tests	Assay methods: • All assaying of samples used in Mineral Resource estimates have been performed by independent, National Association of Testing Authorities (NATA) certified laboratories. • Fe, SiO_2, Al_2O_3, TiO_2, Mn, CaO, P, S, MgO, K_2O, Zn, Pb, Cu, Ba, V, Cr, Cl, As, Ni, Co, Sn, Sr, Zr, Na are assayed using industry standard lithium tetraborate and lithium metaborate fusion and X-Ray Fluorescence (XRF) analytical technique. • Loss on Ignition (LOI) is determined using industry standard Thermo-Gravimetric Analyser (TGA) and was measured at three steps of temperatures: 140° - 425° C, 425° - 650° C, 650° - 1000° C. • Samples were dispatched to Bureau Veritas Minerals Pty Ltd (formerly Ultra Trace Laboratories) in Perth for preparation and analytical testing. Quality assurance measures include: • Insertion of coarse reference standard by Rio Tinto Iron Ore geologists at a rate of one in every 30 samples in mineralised zones and one in every 60 samples in waste zones with a minimum of one standard per drill hole. Reference material is prepared and certified by Rio Tinto Iron Ore following ISO 3082:2009 (Iron Ores – Sampling and sample preparation procedures) and ISO 9516-1:2003 (Iron Ores – Determination of various elements by X-ray fluorescence spectrometry – Part 1: Comprehensive procedure). • Coarse reference standards contain a trace of strontium carbonate that is added at the time of preparation for ease of identification. • Field duplicates were collected by sacrificing a 'B' split retention sample directly from the rig splitter. Duplicate insertion occurred at a frequency of one in 20. Trace zinc is included in the duplicate sample for later identification. • At a frequency of one in 20, -3 mm splits and pulps were collected as laboratory splits and repeats respectively. These sub-samples were analysed at the same time as the original sample to identify grouping, segregation and delimitation errors. • Internal laboratory quality assurance and quality control measures involve the use of internal laboratory standards using certified reference material in the form of pulps, blanks and duplicates were inserted in each batch. • Random re-submission of pulps at an external laboratory is performed following analysis. • Chemical Analysis Testing (CAT) and Analytical Precision Testing (APT) samples were collected one per batch and submitted to third party (Geostats) as part of Rio Tinto Iron Ore quality assurance and quality control (RTIO QA/QC) procedures to attained analytical precision and accuracy. • Analysis of the performance of certified standard and field duplicates has indicated an acceptable level of accuracy and precision with no significant bias.
Verification of sampling and assaying	• Comparison of reverse circulation and twinned diamond drill core assay data distributions show that the drilling methods have similar grade distributions verifying the suitability of reverse circulation samples in the Mineral Resource estimate. • Field data was logged directly onto field Toughbook laptops using pre-formatted and validated logging templates, with details uploaded to the acQuire™ drill hole database on a daily basis. • Assay data was returned electronically from the laboratory and uploaded into the acQuire™ database.

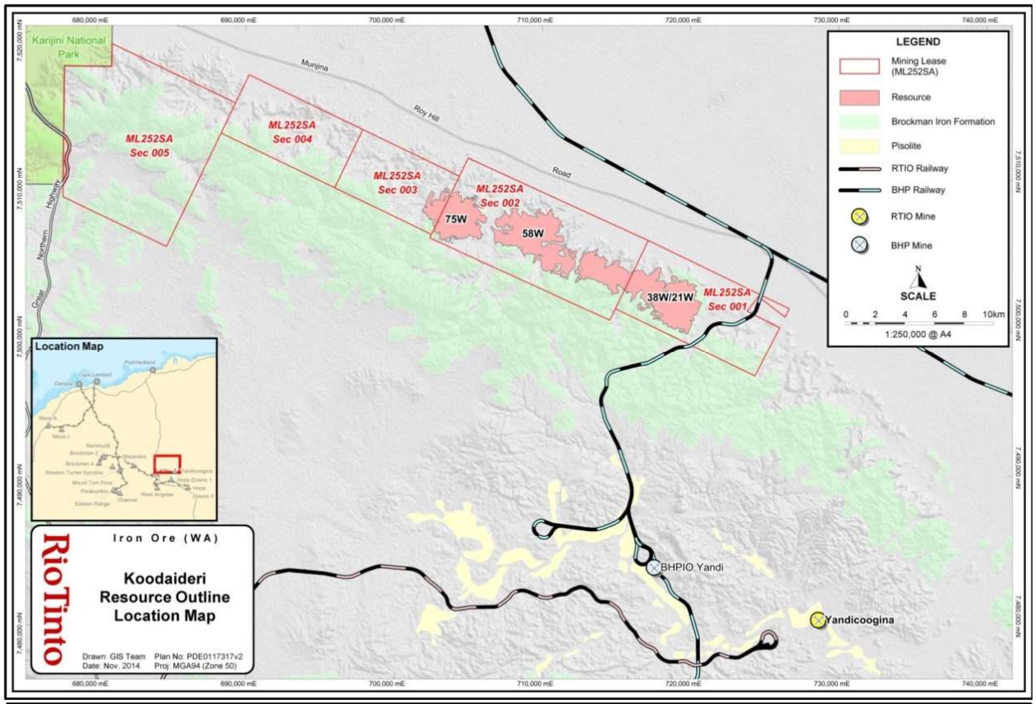
Criteria	Commentary
	• 2012-2015, assay data were only accepted in acQuire™ database once the quality control process conducted utilising Batch Analysis tool. • Written procedures outline the processes of geological logging and data importing, quality assurance and quality control validation and assay importing. A robust, restricted-access database is in place to ensure that any requests to modify existing data go through appropriate channels and approvals, and that changes are tracked by date, time, and user.
Location of data points	• All drill hole collar locations have been surveyed to Geocentric Datum of Australia 1994 (GDA94) and Map Grid of Australia 1994 (MGA94) Zone 50 grid by qualified surveyors using Differential Global Positioning System (DGPS) survey equipment, accurate to within10 cm in both horizontal and vertical directions. • Collar location data is validated by checking actual versus planned coordinate discrepancies. Once validated, the survey data is uploaded into the acQuire™ database. • Drill hole collar reduced level (RL) data is compared to detailed topographic maps and shows that the collar survey data is accurate. • All holes interpreted and used in the resource model have surveyed coordinates. Holes with suspect collar coordinates were excluded from the data set. • Down-hole surveys were conducted on nearly every hole, with the exception of collapsed or otherwise hazardous holes, and any significant, unexpected deviations were investigated and validated. Holes greater than 100 metres in depth are generally surveyed with an in-rod gyroscopic tool to accurately measure downhole deviation. • The topographic surface is based on 10 m grid sampling of the 2012 Light Detecting and Ranging (LiDAR) survey. Accuracy of the topographic surface is further enhanced by incorporation of additional spot height data including the validated DGPS hole collar points generated in each successive drilling campaign.
Data spacing and distribution	Koodaideri 38W: • Drill hole spacing is predominately 100 m × 50 m with some peripheral areas at 100 m × 100 m. Koodaideri 21W: • Drill hole spacing is predominately 400 m × 50 m with the south western corner at 100 m x 50 m. • The drill spacing is deemed appropriate for sufficient deposit knowledge by the Competent Person for the Mineral Resource classification applied. • The mineralised domains for the Koodaideri 38W/21W deposit have demonstrated sufficient continuity in both geology and grade to support the definition of Mineral Resources, and the classifications applied under the 2012 JORC Code guidelines.
Orientation of data in relation to geological structure	• Drill lines lie north-northeast to south-southwest, perpendicular to the deposit strike. • Reverse circulation drilling is predominantly vertical and intersects the gently undulating stratigraphy approximately at right angles. • Metallurgical and dry core density diamond holes were also drilled vertically. • Where applicable selected holes have been angled (70- 85 degrees) to facilitate orientation of downhole optical and acoustic televiewer data.
Sample security	• The sample chain of custody is managed by Rio Tinto Ltd. • Analytical samples ('A' splits) are collected by field assistants, placed onto steel sample racks and delivered to Perth by recognised freight service and then to the assay laboratory by a Perth-based courier service. Whilst in storage the samples are kept in a locked yard. • Retention samples ('B' splits) are collected and stored in drums at on-site facilities. • 150 grams of excess pulps from primary samples is retained indefinitely at laboratories and external storage facilities at CTI Logistics Ltd in Perth, Western Australia.
Audits or reviews	• No external audits have been performed specifically on sampling techniques or data. • Internal Rio Tinto Iron Ore peer review processes and internal Rio Tinto technical reviews have been completed. These reviews concluded that the fundamental data collection techniques are appropriate.

SECTION 2 REPORTING OF EXPLORATION RESULTS

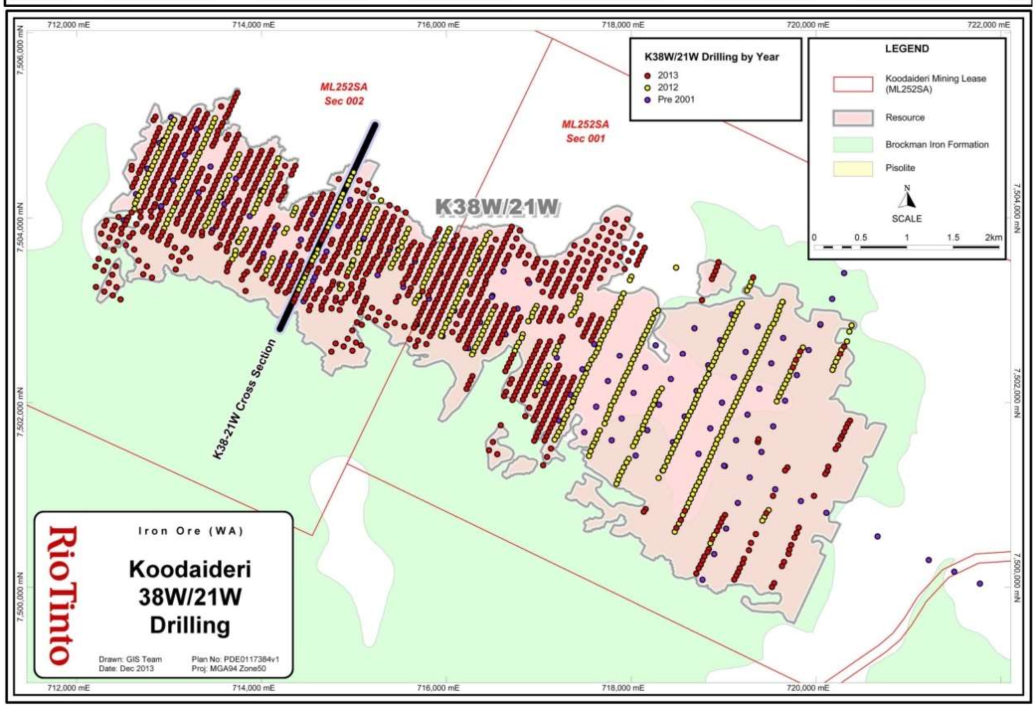
Criteria	Commentary
Mineral tenement and land tenure status	• The deposit is located on Mining lease AM70/00252, granted 07/06/1974. • ML252SA is 100% owned by Hamersley Iron Proprietary Ltd (100% Rio Tinto Ltd).
Exploration done by other parties	• Initial exploration drilling at Koodaideri 38W/21W was undertaken by Mount Bruce Mining Pty Ltd during the 1970's. This included a total of 112 percussion holes. This data has not been used in the Mineral Resource estimate as a result of investigations indicating that the assay data was biased.
Geology	• The deposit type is a bedded iron ore deposit hosted in the Dales Gorge Member of the Proterozoic Brockman Iron Formation. • Mineralisation occurs as a high-phosphorous Brockman Iron Formation deposit with a weathering overprint.
Drill hole Information	• Summary of drilling data used for the Koodaideri 38W/21W Mineral Resource estimate: (see table below) • An additional 16 drill holes were used for geological interpretation only. • A total of 112 drill holes (all pre-2012) for 6,444 m were excluded from the dataset, due to unreliable assay data.
Data aggregation methods	• All assay, geology, and density data have been composited to 2 m for Mineral Resource modelling and estimation. • No grade truncations are performed.
Relationship between mineralisation widths and intercept lengths	• Drilling programs have been designed to intersect dipping mineralised sequences as close as practically possible to perpendicular. • In general down hole intercept lengths are deemed to provide an acceptable representation of true mineralisation widths at Koodaideri 38W/21W due to vertical or near vertical drilling and predominance of gently folded strata with an average dip of 10 degrees. • Where significant difference exists, this is resolved via sectional and three dimensional interpretation of mineralisation boundaries based on the prevailing bedding, stratigraphic and structural controls.

Year	Diamond Holes		Reverse Circulation	
	# Holes	Metres	# Holes	Metres
2012			486	31,310
2013	9	561	1,047	60,910
Total	**9**	**561**	**1,533**	**92,220**

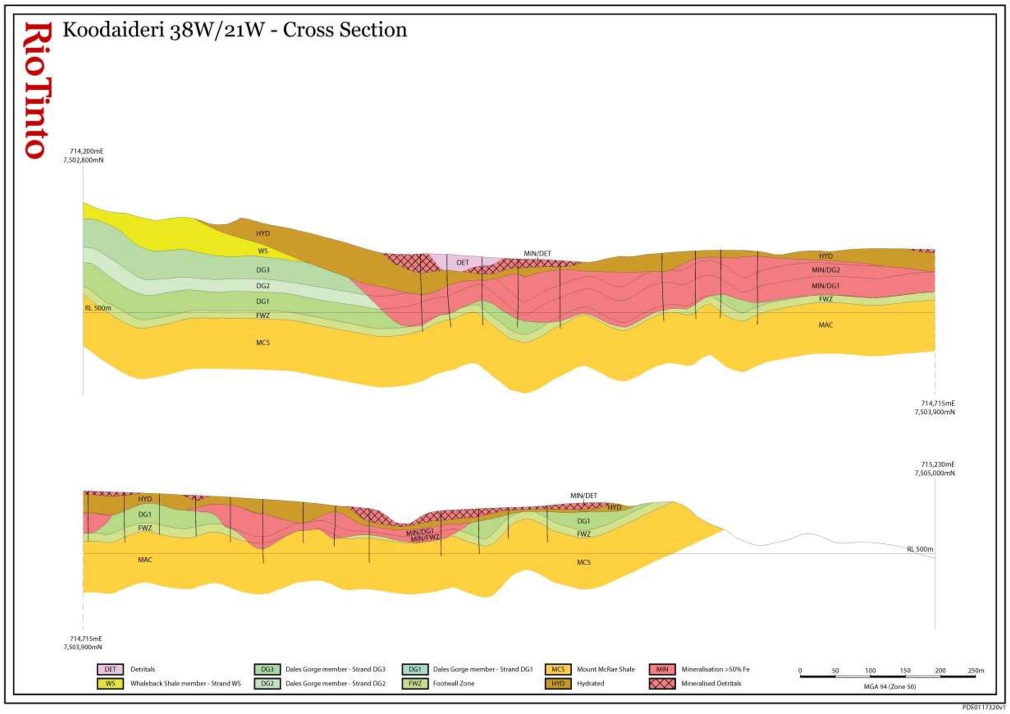
Diagrams	



LEGEND
Mining Lease (ML252SA)
Resource
Brockman Iron Formation
Pisolite
RTIO Railway
BHP Railway
RTIO Mine
BHP Mine
SCALE
1:250,000 @ A4
ML252SA Sec 005
ML252SA Sec 004
ML252SA Sec 003
ML252SA Sec 002
ML252SA Sec 001
75W
58W
38W/21W
Karijini National Park
Location Map
BHPIO Yandi
Yandicoogina
Iron Ore (WA)
RioTinto
Koodaideri
Resource Outline
Location Map
Drawn: GIS Team
Date: Nov, 2014
Plan No: PDE0117317v2
Proj: MGA94 (Zone 50)



K38W/21W Drilling by Year
2013
2012
Pre 2001
LEGEND
Koodaideri Mining Lease (ML252SA)
Resource
Brockman Iron Formation
Pisolite
SCALE
ML252SA Sec 002
ML252SA Sec 001
K38W/21W
K38-21W Cross Section
Iron Ore (WA)
RioTinto
Koodaideri
38W/21W
Drilling
Drawn: GIS Team
Date: Dec 2013
Plan No: PDE0117384v1
Proj: MGA94 Zone50

	
Balanced reporting	• Not applicable as Rio Tinto Ltd has not released exploration results for this deposit.
Other substantive exploration data	• Geological surface mapping data has been collected across the Koodaideri area in 2006, 2007, 2009, and 2013 at 1:5,000 scale.
Further work	• Further infill reverse circulation drilling is planned for the deposit to a planned spacing of 50 m × 50 m.

SECTION 3 ESTIMATION AND REPORTING OF MINERAL RESOURCES

Criteria	Commentary

Database integrity	• Drilling data is securely stored in an acQuire™ geoscientific information management system managed by a dedicated team within Rio Tinto Iron Ore. The system is backed up nightly on servers located in Perth, Western Australia. The backup system was tested in May 2016, demonstrating that the system is effective.
	• The import/exporting process requires limited keyboard transcription and has multiple built in safeguards to ensure information is not overwritten or deleted. These include:
	  ○ Data is imported and exported through automated interfaces, with limited manual input;
	  ○ Inbuilt validation checks ensure errors are identified prior to import;
	  ○ Once within the acQuire™ database, editing is very limited and warning messages ensure accidental changes are not made;
	  ○ Audit trail records updates and deletions should an anomaly be identified;
	  ○ Export interface ensures the correct tables, fields and format are selected.
	• The drill hole database used for Mineral Resource estimation has been internally validated. Methods include checking:
	  ○ acQuire™ scripts for relational integrity, duplicates, total assay and missing / blank assay values;
	  ○ Grade ranges in each domain;
	  ○ Domain names and tags;
	  ○ Survey data down-hole consistency;
	  ○ Null and negative grade values;
	  ○ Missing or overlapping intervals;
	  ○ Duplicate data.
	• Drill hole data is also validated visually by domain and compared to the geological model

Site visits	• The Competent Person for the reporting of Mineral Resources last visited Koodaideri in 2014. There were no outcomes as a result of this visit.
Geological interpretation	• Overall the Competent Person's confidence in the geological interpretation of the area is good, based on the quantity and quality of data available, and the continuity and nature of the mineralisation. • Geological modelling was performed by Rio Tinto Iron Ore geologists. The method involves interpretation of stratigraphy using surface geological mapping, lithological logging data, down-hole gamma data, and assay data. • Cross-sectional interpretation of each stratigraphic unit is performed followed by interpretation of mineralisation boundaries. Three-dimensional wireframes of the sectional interpretations are created to produce the geological model. • The geological model is sub-divided into domains and both the composites and model blocks are coded with these domains. • Mineralisation is continuous. It is affected by stratigraphy, structure and weathering. The drill hole spacing is sufficient to capture density, grade and geology variation for Mineral Resource reporting.
Dimensions	• Koodaideri 38W/21W extends approximately 8.6 km along strike in a west-northwest to east-southeast direction, up to 2.8 km across strike in a north-northeast to south-southwest direction and to a maximum depth of 100 m below surface (averaging 75 m in depth). • The hardcap (weathering) overprint extends across the deposit, varying in depth from 2 m to 40 m below surface (averaging 20 m in depth).
Estimation and modelling techniques	• Ten grade attributes (Fe, SiO_2, Al_2O_3, P, Mn, LOI, S, TiO_2, MgO, and CaO), and density were estimated for input into Mine Planning and Marketing assessments. • The grade estimation process was completed using Maptek™ Vulcan™ software. • Mineralised domains are predominantly estimated by ordinary kriging however those domains where robust semi-variograms were not able to be created employed inverse distance weighting to the second power. Non-mineralised domains are estimated by inverse distance weighting to the first power. These methods are deemed appropriate by the Competent Person for estimating the tonnes and grade of the reported Mineral Resources. • All domains were estimated with hard boundaries applied. • Statistical analysis was carried out on data from all domains. • Block sizes are 25 m (X) × 25 m (Y) × 5 m (Z) for parent blocks. Parent blocks are sub-celled to the geological boundaries to preserve volume.

Criteria	Commentary
	• Block models are rotated to align with the orientation of the deposits. • A 'high yield limit' or grade dependent restriction on a sample's range of influence was used for Mn and CaO. The limits differed for different domains and were selected based on histograms and spatial distribution of the respective assay values. • Grades are extrapolated to a maximum distance of approximately 400 m from data points. • The block model was validated using a combination of visual, statistical and multivariate global change of support techniques in the absence of any production data.
Moisture	• All Mineral Resource tonnages are estimated and reported on a dry basis.
Cut-off parameters	• The cut-off grade for High-Grade ore is greater than or equal to 60% Fe. • The cut-off for Brockman Process Ore is material 50% ≤ Fe < 60% and ≥ 3% Al_2O_3 < 6% (geology domain must be Dales Gorge, Joffre or Footwall Zone).
Mining factors or assumptions	• Development of this Mineral Resource assumes mining using standard Rio Tinto Iron Ore equipment and methods similar to other Rio Tinto Iron Ore operations. The assumed mining method is conventional truck and shovel, open pit mining at an appropriate bench height. Mining practices will include grade control utilising blast hole data. • It is planned to blend ore from Koodaideri with ore from other Rio Tinto Iron Ore mine sites to make a saleable ore product. This plan is in line with current Rio Tinto Iron Ore practices where ore from multiple mines is combined to produce the Pilbara Blend product.
Metallurgical factors or assumptions	• It is assumed that standard dry crush and screening processes used by Rio Tinto Iron Ore will be applicable for the processing of the Koodaideri deposit.
Environmental factors or assumptions	• Rio Tinto Iron Ore has an extensive environmental and heritage approval process. A detailed review of these requirements has been undertaken in a recent Pre-Feasibility Study. No issues were identified that would impact on the Mineral Resource estimate. • Mapping of oxidised shales, black carbonaceous shales, lignite and pyrite, and the location of the water table, is used in prediction and planning for the treatment of potential environmental impacts. This process is in accordance with Rio Tinto's Mineral Waste Management and Acid Rock Drainage (ARD) Control Environmental Standards.

Bulk density	• Dry bulk density is derived from accepted gamma-density data collected at 10 cm intervals from down-hole geophysical sondes. Accepted gamma-density data is corrected for moisture using diamond drill core specifically drilled throughout the deposit.
	• Dry core densities are generated via the following process:
	  ○ The core volume is measured in the split and the mass of the core is measured and recorded.
	  ○ Wet core densities are calculated by the split and by the tray.
	  ○ Core recovery is recorded.
	  ○ The core is then dried and dry core masses are measured and recorded.
	  ○ Dry core densities are then calculated.
	• Accepted gamma-density values were estimated using ordinary kriging in mineralised zones and inverse distance weighted to the first power in waste zones.
	• Estimated gamma-density values were corrected for moisture using diamond drill core twinned with reverse circulation drilling.

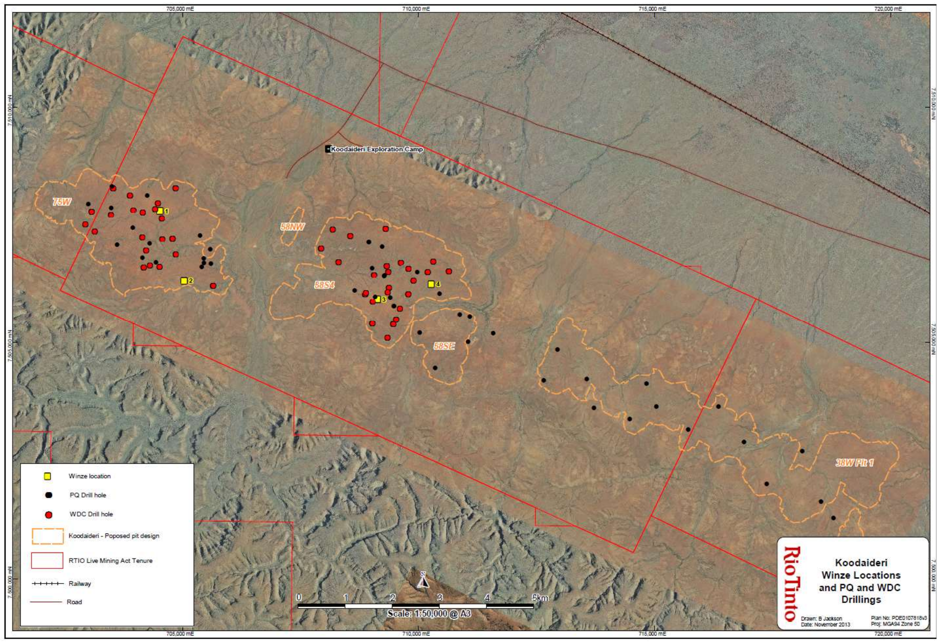
Classification	• The Mineral Resource classification is Indicated and Inferred. Mineral Resources are predominantly in the Inferred category in areas of wider spaced drilling, increasing to Indicated where a tighter drill pattern is achieved. • Approximately 97% of the Mineral Resource lies above the water table. • The Competent Person is satisfied that the stated Mineral Resource classification reflects the geological controls interpreted and the estimation constraints of the deposits.
Audits or reviews	• All stages of Mineral Resource estimation have undergone an internal peer review process, which has documented all phases of the process. The Mineral Resource estimate has been accepted by the Competent Person.
Discussion of relative accuracy/ confidence	• Rio Tinto Iron Ore operate multiple mines in the Pilbara region of Western Australia. The Mineral Resource data collection and estimation techniques used for Koodaideri are consistent with those applied at other deposits which are being mined. Reconciliation of actual production with the Mineral Resource estimates for individual deposits is generally accurate to within ten percent for tonnes on an annual basis. This result is indicative of a robust process. • The accuracy and confidence of the Mineral Resource estimate is consistent with the current

Criteria	Commentary
	level of study (Pre-Feasibility Study).

SECTION 4 ESTIMATION AND REPORTING OF ORE RESERVES

Criteria	Commentary
Mineral Resource estimate for conversion to Ore Reserves	• Initial generation of the modifying factors for this Ore Reserve estimate were based on a Mineral Resource estimate completed in April 2012. Subsequent to the completion of the Pre-Feasibility Study an updated Mineral Resource estimate was completed (incorporating more recent drilling information) in 2013 which formed the basis for a redesign of the open pits. The most recent Mineral Resource estimate (2015), together with the latest update of pit designs were used for reporting Ore Reserves. • The declared Ore Reserves are for the Koodaideri 38W deposit. • Mineral Resources are reported in addition to Ore Reserves.
Site visits	• The Competent Person visited Koodaideri in 2016. • The outcome of this visit was observation of the Project area to better understand location, environmental, groundwater and infrastructure considerations.
Study status	• A Pre-Feasibility Study was completed in 2013. A Feasibility Study is in progress.
Cut-off parameters	• The cut-off grade for High-Grade ore is greater than or equal to 60% Fe.
Mining factors or assumptions	• The Mineral Resource model was regularised to a block size of 25 m (X) × 25 m (Y) × 5 m (Z) which was determined to be the selective mining unit following an analysis of a range of selective mining units. Dilution and mining recovery were modelled by applying the regularisation process to the sub-block geological model. • Metallurgical models were applied to the regularised model in order to model product tonnages, grades and yields. • Pit optimisations utilising the Lerchs-Grossmann algorithm with industry standard software were undertaken. This optimisation utilised the regularised Mineral Resource model together with cost, revenue, and geotechnical inputs. The resultant pit shells were used to develop detailed pit designs with due consideration of geotechnical, geometric and access constraints. These pit designs were used as the basis for production scheduling and economic evaluation. • During the above process, Inferred Mineral Resources were excluded from mine schedules and economic valuations utilised to validate the economic viability of the Ore Reserves. • Conventional mining methods (truck and shovel) similar to other Rio Tinto Iron Ore mines were selected. The mine has been designed to utilise in-pit crushing and conveying to transport ore to a central processing facility. • The geotechnical parameters have been applied based on geotechnical studies informed by assessments of 80 drill holes drilled during the 2011, 2012 & 2013 drilling programmes, specifically drilled for geotechnical purposes on the surrounding host rock. The resultant inter ramp slope angles vary between 18 and 49 degrees depending on the local rock mass and structural geological conditions. • The Pre-Feasibility and Feasibility Studies have considered the infrastructure requirements associated with the conventional truck and shovel mining operation including crushing and conveying systems, dump & stockpile locations, maintenance facilities, access routes, explosive storage, water, and power.
Metallurgical factors or assumptions	• The Koodaideri mine has been designed with a dry crushing and screening processing facility similar to processing facilities at other Rio Tinto Iron Ore mining operations. Studies into alternative processing technologies continue, however this has been excluded from this Ore Reserve declaration. • The proposed metallurgical process is a well-tested and proven processing methodology, having been utilised at Rio Tinto Iron Ore mining operations for decades. • During drill campaigns in 2003, 2011, 2012 and 2013 a total of 4,857 m of metallurgical diamond drill core (2,858 m PQ and 1,999 m Wide Diameter) were drilled in the K58W and K75W deposits and to a lesser extent K21W and K38W. Data obtained from this core formed the basis for metallurgical test work which informed the study for the design of the processing facility and metallurgical models. The map below show the location of these drill holes. • The diamond drill core test results were utilised to develop metallurgical models

Criteria	Commentary
	representing different metallurgical domains which were considered representative of the ore body. The metallurgical models predict product tonnage and grade parameters for lump and fines products.



Criteria	Commentary
Environmental	• The Koodaideri project was referred to the Western Australian Environmental Protection Authority (EPA) on 28 May 2012, followed by a referral to the Commonwealth on 1 June 2012. The Koodaideri project was given a level of assessment of a Public Environmental Review under Part IV of the Environmental Protection Act 1986 (WA) The Koodaideri project was also determined to be a controlled action under the Commonwealth Environment Protection and Biodiversity Conservation Act 1999 (Cwth). The project was assessed by the EPA under the bilateral assessment process agreed with the Commonwealth. Ministerial Statement 999 was granted by the State Minister for Environment on 10 March 2015. The EPBC 2012/6422 approval was granted by the Commonwealth on 9 May 2015. • A geochemical risk assessment has been completed for the project. The assessment encompasses all material types present at the site, and tests have been conducted in accordance with industry standards. Mining operations at the project pose a low acid mine drainage risk based on current pit designs and the assessment of samples from within the pit locations.
Infrastructure	• Access to the site during construction will be from the Great Northern Highway and then along the Roy Hill Road. A second access road from the south will link the existing Yandicoogina Access Road to the Koodaideri operations. • Main fuel freight and supply for ammonium nitrate and fuel oil (ANFO) will access Koodaideri via the Roy Hill Road. Fly-in, Fly-out (FIFO) personnel access will fly in to Barimunya Airport and be bussed to site. • Designs for buildings, explosives storage, workshops and related facilities proposed for the Koodaideri project have been modelled on existing Rio Tinto Iron Ore facilities, with modifications for safety, capital and operating efficiency. • A central hub for all non-process support facilities, will be located close the existing Munjina-Roy Hill road for ease of access. It is located central to the mine, processing plant and accommodation precinct. • The Koodaideri Explosive Facility is located north of the K58W pit and will be similar to facilities at Rio Tinto Iron ore projects in the Pilbara, Western Australia. • Electric power will be supplied to Koodaideri from the Rio Tinto transmission network via linking into an existing Rio Tinto 220 kV transmission line between Juna Downs and Yandicoogina. • Water for Koodaideri will be initially sourced from bores located to the east of Koodaideri together with other surrounding bores at Koodaideri. These bores will support construction and operations. • Ore will be railed to Rio Tinto's ports at Dampier and Cape Lambert. Upon completion of current and planned/approved construction projects, the port and railway networks will

Criteria	Commentary
	have sufficient capacity to accommodate ore supply from Koodaideri.
Costs	• The capital costs are based on a Definitive Engineering Study utilising experience from the construction of existing similar Rio Tinto Iron Ore projects in the Pilbara, Western Australia. • Operating costs were benchmarked with similar operating Rio Tinto Iron Ore mine sites. • Exchange rates were forecast by analysing and forecasting macro-economic trends in the Australian and World economy. • Transportation costs were based on existing operating experience at Rio Tinto Iron Ore mine sites in the Pilbara, Western Australia. • Allowances have been made for royalties to the Western Australian government and other private stakeholders.
Revenue factors	• Rio Tinto applies a common process to the generation of commodity prices across the group. This involves generation of long-term price curves based on current sales contracts, industry capacity analysis, global commodity consumption and economic growth trends. In this process, a price curve rather than a single price point is used to develop estimates of mine returns over the life of the project. The detail of this process and of the price point curves is commercially sensitive and is not disclosed.
Market assessment	• It is planned to blend ore from Koodaideri with ore from other Rio Tinto Iron Ore mine sites to make a saleable ore product. Koodaideri ore will not be marketed directly. This plan is in line with current Rio Tinto Iron Ore practices where ore from multiple mines is combined to produce the Pilbara Blend product. • Blending of iron ore from Brockman and Marra Mamba sources results in a high Fe product, whilst reducing both the average values, and variability, of SiO_2, Al_2O_3, and P. This product attracts a market premium and accounts for annual sales in excess of 150 Mt/a. • The supply and demand situation for iron ore is affected by a wide range of factors, and as iron and steel consumption changes with economic development and circumstances. Rio Tinto Iron Ore delivers products aligned with its Mineral Resources and Ore Reserves, these products have changed over time and successfully competed with iron ore products supplied by other companies.
Economic	• Economic inputs such as foreign exchange rates, carbon pricing, and inflation rates are also generated internally at Rio Tinto. The detail of this process is commercially sensitive and is not disclosed. • Sensitivity testing of the Koodaideri Ore Reserves using both Rio Tinto long-term prices and a range of published benchmark prices demonstrates a positive net present value for the project sufficient to meet Rio Tinto Limited investment criteria.
Social	• The Koodaideri deposits are located within existing Mining Lease AM70/00252 (ML252SA), which was granted under the Iron Ore (Mount Bruce) Agreement Act 1972. • Additional tenure is required to connect the mine with the existing Rio Tinto Iron Ore rail network, as well as for roads, power, water and camp locations located outside of the ML252SA. Rio Tinto Iron Ore is currently in the process of negotiating third party consent to facilitate the grant of tenure for rail and ancillary infrastructure corridors. • The Koodaideri mine and most of the proposed associated infrastructure falls within the area of the Banjima group's registered native title claim. The north-west rail option route lies within both Banjima and Yindjibarndi Native Title Claims. • The Koodaideri project is located in the Hamersley Range, which has a deep and rich history of Aboriginal occupation. A number of ethnographic surveys and archaeological surveys of the area have been completed to date, in which heritage sites have been identified and considered during mine planning and engineering activities. • Rio Tinto Iron Ore has undertaken environmental surveys across the project area to support the development of the Koodaideri project including flora and vegetation and vertebrate fauna surveys, troglofauna sampling and an assessment of bat colonies and aquatic habitats. • A number of native vegetation clearing permits have been granted by the Western Australian Department of Mines and Petroleum (DMP) to allow for preliminary works such as sterilization drilling, geotechnical investigations, mineral exploration, a construction camp, and associated activities. • The Koodaideri deposits and associated infrastructure are located within the Shire of Ashburton and the Shire of East Pilbara. Rio Tinto Iron Ore has established engagement frameworks with the Shire of Ashburton and the Shire of East Pilbara, which includes scheduled meetings and project updates. Engagement with both Shires on Koodaideri has been established and will be ongoing throughout the project.

Criteria	Commentary
Other	• Semi-quantitative risk assessments have been undertaken throughout the Koodaideri study phases, no material naturally occurring risks have been identified through the above mentioned risk management processes. • The mine and associated rail routes require additional tenure. Negotiations are ongoing with third parties and are generally progressing satisfactorily.
Classification	• The Ore Reserves consist of 100% Probable Reserves. • The Competent Person is satisfied that the stated Ore Reserve classification reflects the outcome of technical and economic studies.
Audits or reviews	• No external audits have been performed. • Internal Rio Tinto Iron Ore peer review processes and internal Rio Tinto technical reviews have been completed. These reviews concluded that the fundamental data collection techniques are appropriate.
Discussion of relative accuracy/ confidence	• Rio Tinto Iron Ore operates multiple mines in the Pilbara region of Western Australia. The Ore Reserve estimation techniques utilised for the Koodaideri deposits are consistent with those applied at the existing operations. Reconciliation of actual production with the Ore Reserve estimate for individual deposits is generally within 10 percent for tonnes on an annual basis. This result is indicative of a robust Ore Reserve estimation process. • Accuracy and confidence of modifying factors are generally consistent with the current level of study (Pre-Feasibility Study). It is anticipated that the modifying factors will be further refined during the Feasibility Study which is currently under way.