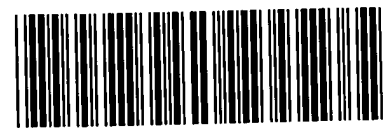


Registration number: 00007132

RIO TINTO WESTERN HOLDINGS LIMITED

**ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2017**

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RIO TINTO WESTERN HOLDINGS LIMITED

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RIO TINTO WESTERN HOLDINGS LIMITED

COMPANY INFORMATION

DIRECTORS	R C Bellhouse M P Bossick P L Cunningham
COMPANY SECRETARY	Rio Tinto Secretariat Limited
REGISTRATION NUMBER	00007132
REGISTERED OFFICE	6 St James's Square London United Kingdom SW1Y 4AD
INDEPENDENT AUDITORS	PricewaterhouseCoopers LLP Chartered Accountants and Statutory Auditors 1 Embankment Place London United Kingdom WC2N 6RH

RIO TINTO WESTERN HOLDINGS LIMITED

STRATEGIC REPORT FOR THE YEAR ENDED 31 DECEMBER 2017

The directors present their Strategic report on Rio Tinto Western Holdings Limited (the "Company") for the year ended 31 December 2017.

Introduction

The Company was incorporated, domiciled and registered in England and Wales under the Companies Act 2006 and is a private company limited by shares. The Company's ultimate parent undertaking and controlling party is Rio Tinto plc, which together with Rio Tinto Limited and their respective subsidiaries form the Rio Tinto Group (the "Group").

The Company is an investment holding company for the Group.

Business Review

The Company's results from year to year are highly sensitive to the timing of dividend flows and of movements in provisions for impairment, and do not necessarily reflect the performance of its group undertakings.

Principal risks and uncertainties

The Company's principal risks and uncertainties, such as financial, operational and compliance risks, are integrated with those of the Group and are not managed separately.

Assessment of the potential economic and non-economic consequences of risks is undertaken by the Group's business units and functions using the framework defined by the Group's Risk policy and standard. Once identified, each principal risk and uncertainty is reviewed and monitored by the relevant internal experts and by the Risk Management Committee, the relevant board committees and the board. Full details of the Group's risk factors and policies for financial risk management are discussed in its 2017 Annual Report which does 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.

The report was approved by the board and was signed on its behalf by:



P L Cunningham
Director

Date: 19th July 2018

RIO TINTO WESTERN HOLDINGS LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2017

The directors present their report and the audited financial statements for the year ended 31 December 2017.

Results and dividends

The profit for the year amounted to \$733 million (2016: loss \$7 million).

An interim dividend of \$800 million was paid during the year (2016: \$nil). The directors do not recommend the payment of a final dividend (2016: \$nil).

Directors

The directors who served during the year and to the date of this report were:

R C Bellhouse (appointed 14 March 2018)

M P Bossick (appointed 5 May 2017)

P L Cunningham

V E Hames (resigned 30 September 2017)

M D Andrewes (resigned 5 May 2017)

S P Allen (appointed 17 October 2017 and resigned 1 March 2018)

The directors had no material interest in any contract or arrangement during the year to which the Company or any subsidiary is or was a party.

Statement of directors' responsibilities in respect of the financial statements

The directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have prepared the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 101 "Reduced Disclosure Framework", and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing the financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- state whether applicable United Kingdom Accounting Standards, comprising FRS 101, have been followed, subject to any material departures disclosed and explained in the financial statements;
- make judgements and accounting estimates that are reasonable and prudent; and
- prepare the audited financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the financial statements comply with the Companies Act 2006.

The directors are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

RIO TINTO WESTERN HOLDINGS LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2017 (CONTINUED)

Indemnities and insurance

The Articles of Association of the Company's ultimate parent, Rio Tinto plc, provides for it to indemnify, to the extent permitted by law, its officers and officers of wholly-owned subsidiaries against liabilities arising from the conduct of the Group's business. The directors and the company secretary of Rio Tinto plc and certain employees serving as directors of certain subsidiaries, at the Group's request, have been indemnified in accordance with these provisions. Accordingly, all the directors have been indemnified by Rio Tinto plc against liability in respect of proceedings brought by third parties, subject to the conditions set out in the Companies Act 2006. This is a 'qualifying third party indemnity' provision as defined by section 234 of the Companies Act 2006. No amounts have been paid under any of these indemnities during the year.

In accordance with section 233 of the Companies Act 2006 the Company has also purchased and maintains insurance against liabilities arising from claims against directors' and officers' actions taken in connection with the Group's business.

Future developments

The Company's future developments are integrated with those of the Rio Tinto Group which are discussed in the Group's 2017 Annual Report, which does not form part of this report.

Disclosure of information to auditors

Each of the persons who were directors at the time when this Directors' report is approved has confirmed that:

- so far as that director is aware, there is no relevant audit information of which the Company's auditors are unaware; and
- that director has taken all the steps that ought to have been taken as a director in order to be aware of any relevant audit information and to establish that the Company's auditors are aware of that information.


Post balance sheet events

On 6 June 2018, the Company entered into a five year loan agreement for \$4,302 million with Rio Tinto South East Asia Limited, a wholly-owned subsidiary of the Group.

Independent auditors

The auditors, PricewaterhouseCoopers LLP, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

This report was approved by the board and signed by order of the board.


..... Cornelia Bridges
Director, for and on behalf of Rio Tinto Secretariat Limited
Company secretary

Date: 19 July 2018
6 St James's Square
London
United Kingdom
SW1Y 4AD

RIO TINTO WESTERN HOLDINGS LIMITED

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF RIO TINTO WESTERN HOLDINGS LIMITED

Report on the audit of the financial statements

Opinion

In our opinion, Rio Tinto Western Holdings Limited's financial statements:

- give a true and fair view of the state of the Company's affairs as at 31 December 2017 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 101 "Reduced Disclosure Framework", and applicable law); and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements, included within the Annual Report and Financial Statements (the "Annual Report"), which comprise: the Balance sheet as at 31 December 2017; the Statement of comprehensive income and the Statement of changes in equity for the year then ended; and the Notes to the financial statements, which include a description of the significant accounting policies.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities under ISAs (UK) are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We remained independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, which includes the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which ISAs (UK) require us to report to you when:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

However, because not all future events or conditions can be predicted, this statement is not a guarantee as to the company's ability to continue as a going concern.

Reporting on other information

The other information comprises all of the information in the Annual Report other than the financial statements and our auditors' report thereon. The directors are responsible for the other information. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except to the extent otherwise explicitly stated in this report, any form of assurance thereon.

RIO TINTO WESTERN HOLDINGS LIMITED

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF RIO TINTO WESTERN HOLDINGS LIMITED (CONTINUED)

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If we identify an apparent material inconsistency or material misstatement, we are required to perform procedures to conclude whether there is a material misstatement of the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report based on these responsibilities.

With respect to the Strategic report and Directors' report, we also considered whether the disclosures required by the UK Companies Act 2006 have been included.

Based on the responsibilities described above and our work undertaken in the course of the audit, ISAs (UK) require us also to report certain opinions and matters as described below.

Strategic Report and Directors' Report

In our opinion, based on the work undertaken in the course of the audit, the information given in the Strategic report and Directors' report for the year ended 31 December 2017 is consistent with the financial statements and has been prepared in accordance with applicable legal requirements.

In light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we did not identify any material misstatements in the Strategic report and Directors' report.

Responsibilities for the financial statements and the audit

Responsibilities of the directors for the financial statements

As explained more fully in the Statement of directors' responsibilities in respect of the financial statements set out on page 3, the directors are responsible for the preparation of the financial statements in accordance with the applicable framework and for being satisfied that they give a true and fair view. The directors are also responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditors' responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the FRC's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditors' report.

Use of this report

This report, including the opinions, has been prepared for and only for the company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, 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.

RIO TINTO WESTERN HOLDINGS LIMITED

**INDEPENDENT AUDITORS' REPORT
TO THE MEMBERS OF RIO TINTO WESTERN HOLDINGS LIMITED (CONTINUED)**

Other required reporting

Companies Act 2006 exception reporting

Under the Companies Act 2006 we are required to report to you if, in our opinion:

- we have not received all the information and explanations we require for our audit; or
- adequate accounting records have not been kept by the company, or returns adequate for our audit have not been received from branches not visited by us; or
- certain disclosures of directors' remuneration specified by law are not made; or
- the financial statements are not in agreement with the accounting records and returns.

We have no exceptions to report arising from this responsibility.



.....
Nigel Comello (Senior Statutory Auditor)
For and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
London

Date: 19 JULY 2018

RIO TINTO WESTERN HOLDINGS LIMITED

**STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2017**


	Note	2017 \$M	2016 \$M
Investment income	3	800	-
Impairment charges	4	(62)	-
Other expenses		(7)	(8)
Finance income	5	2	1
Profit/(loss) before taxation		733	(7)
Taxation	6	-	-
Profit/(loss) for the financial year		733	(7)
Other comprehensive income		-	-
Total comprehensive income/(expense) for the year		733	(7)

RIO TINTO WESTERN HOLDINGS LIMITED

(REGISTRATION NUMBER: 00007132)
BALANCE SHEET AS AT 31 DECEMBER 2017

	Note	2017 \$M	2016 \$M
ASSETS			
Non-current assets			
Investments	7	7,764	7,764
Current assets			
Trade and other receivables	8	67	126
Total assets		<u>7,831</u>	<u>7,890</u>
LIABILITIES			
Current liabilities			
Trade and other payables	9	(20)	(12)
Total liabilities		<u>(20)</u>	<u>(12)</u>
Net assets		<u>7,811</u>	<u>7,878</u>
EQUITY			
Share capital	10	45	45
Reserves		1,240	1,240
Retained earnings		5,167	5,234
Share premium account		1,359	1,359
Total equity		<u>7,811</u>	<u>7,878</u>

These financial statements were approved and authorised by the board and were signed on its behalf by:



P L Cunningham
Director

Date: 19th July 2018

RIO TINTO WESTERN HOLDINGS LIMITED

**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2017**

	Share capital \$M	Share premium account \$M	Capital reserve \$M	Other reserves \$M	Retained earnings \$M	Total equity \$M
At 1 January 2017	45	1,359	1,108	132	5,234	7,878
Comprehensive income:						
Profit for the financial year	-	-	-	-	733	733
Other comprehensive income	-	-	-	-	-	-
Total comprehensive income for the year	-	-	-	-	733	733
Dividends	-	-	-	-	(800)	(800)
At 31 December 2017	45	1,359	1,108	132	5,167	7,811

	Share capital \$M	Share premium account \$M	Capital reserve \$M	Other reserves \$M	Accumulated (losses)/earnings \$M	Total equity \$M
At 1 January 2016	45	7,359	1,108	132	(759)	7,885
Comprehensive income:						
Loss for the financial year	-	-	-	-	(7)	(7)
Other comprehensive income	-	-	-	-	-	-
Total comprehensive income for the year	-	-	-	-	(7)	(7)
Other share premium reserve movements	-	(6,000)	-	-	6,000	-
At 31 December 2016	45	1,359	1,108	132	5,234	7,878

The notes on pages 11 to 22 form an integral part of these financial statements.

RIO TINTO WESTERN HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2017

1 Accounting policies

This note provides a list of all significant accounting policies adopted in the preparation of these financial statements. These policies have been consistently applied to all the years presented, unless otherwise stated.

1.1 Basis of preparation of financial statements

The financial statements have been prepared using the historical cost convention, and in accordance with the Companies Act 2006, as applicable to companies using Financial Reporting Standard 101 Reduced Disclosure Framework (FRS 101).

The Company is a subsidiary company and is exempt from the requirement to prepare consolidated financial statements by virtue of section 400 of the Companies Act 2006. These financial statements are therefore separate financial statements.

The financial statements are presented in US Dollars and all amounts are rounded to the nearest million (\$M) unless otherwise stated.

1.2 Financial Reporting Standard 101 - Reduced disclosure exemptions

The Company has taken advantage of the following disclosure exemptions under FRS 101:

- the requirements of IFRS 7 Financial Instruments: Disclosures;
- the requirements of paragraphs 91-99 of IFRS 13 Fair Value Measurement;
- the requirement in paragraph 38 of IAS 1 Presentation of Financial Statements to present comparative information in respect of paragraph 79(a)(iv) of IAS 1;
- the requirements of paragraphs 10(d), 10(f), 16, 38A, 38B, 38C, 38D, 40C, 40D, 111 and 134-136 of IAS 1 Presentation of Financial Statements;
- the requirements of IAS 7 Statement of Cash Flows;
- the requirements of paragraphs 30 and 31 of IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors;
- the requirements of paragraph 17 of IAS 24 Related Party Disclosures; and
- the requirements in IAS 24 Related Party Disclosures to disclose related party transactions entered into between two or more members of a group, provided that any subsidiary which is a party to the transaction is wholly owned by such a member.

Where required, equivalent disclosures are given in the consolidated financial statements which can be obtained as set out in Note 12.

1.3 Going concern

The directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. The Company therefore continues to adopt the going concern basis in preparing its financial statements.

1.4 Foreign currency translation

(a) Functional and presentation currency

The Company's functional and presentational currency is US dollar.

RIO TINTO WESTERN HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2017 (CONTINUED)

(b) Transactions and balances

Foreign currency transactions are translated into the functional currency using the spot exchange rates at the dates of the transactions.

At each period end foreign currency monetary items are translated using the closing rate. Non-monetary items measured at historical cost are translated using the exchange rate at the date of the transaction and non-monetary items measured at fair value are translated using the exchange rate when fair value was determined.

Foreign exchange gains and losses resulting from the settlement of transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the Statement of comprehensive income.

1.5 Finance income

Finance income includes interest and similar income. Interest income is recognised on a time proportionate basis using the effective interest method.

1.6 Finance costs

Finance costs are charged to the statement of comprehensive income over the term of the debt using the effective interest method so that the amount charged is at a constant rate on the carrying amount.

1.7 Taxation

Current tax, including UK corporation tax and overseas tax, is provided at amounts expected to be paid (or recovered) using the tax rates and laws that have been enacted or substantively enacted at the balance sheet date. Except as otherwise required by IAS12 "Income Taxes", deferred tax is provided in full on temporary differences at the balance sheet date.

1.8 Trade and other receivables

Trade receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment.

Trade receivables are amounts due from customers for goods sold or services performed in the ordinary course of business. Loans and other receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. If collection of the amounts is expected in one year or less they are classified as current assets. If not, they are presented as non-current assets. Trade receivables are generally due for settlement within 30 days and therefore are all classified as current.

Individual receivables which are known to be uncollectible are written off by reducing the carrying amount directly. The other receivables are assessed collectively to determine whether there is objective evidence that impairment has occurred but not yet been identified. For these receivables the estimated impairment losses are recognised in a separate provision for impairment. The Company considers that there is evidence of impairment if any of the following indicators are present:

- significant financial difficulties of the debtors;
- probability that the debtor will enter bankruptcy or financial reorganisation; or
- default or delinquency in payments.

Included within trade receivables are interest bearing amounts owed from group undertakings held at call with Rio Tinto Finance Limited. Interest is earned on these balances based on USD LIBOR plus a margin and are repayable on demand.

RIO TINTO WESTERN HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2017 (CONTINUED)

1.9 Investments

Investments in subsidiaries are measured at cost less accumulated impairment.

1.10 Trade and other payables

These amounts represent liabilities for goods and services provided to the Company prior to the end of financial year which are unpaid.

The amounts are unsecured and are usually paid within 45 days of recognition. Trade and other payables are presented as current liabilities unless payment is not due within 12 months from the reporting date. They are recognised initially at their fair value and subsequently measured at amortised cost using the effective interest method.

2 Critical accounting estimates and judgments

The preparation of the financial statements requires the use of certain critical accounting estimates. It also requires management to exercise judgement in applying the Company's accounting policies. These judgements and assumptions are based on management's best knowledge of its facts and circumstances, but actual results may differ materially from the amount included in the financial statements.

Impairment

Assets are reviewed for impairment whenever events or changes in circumstances indicate that their carrying amount exceeds its recoverable amount. The assessment of the carrying amount often requires estimates of future cash flows and foreign exchange rates.

3 Investment income

	2017 \$M	2016 \$M
Dividend income	800	-
	<u>800</u>	<u>-</u>

All investment income are dividends received from the Company's subsidiary, Rio Tinto Escondida Limited, based in Bermuda.

4 Profit/(loss) before taxation

- (a) An impairment charge relating to investments in subsidiaries of \$62 million was recognised (2016: \$nil) see note 7 for details.
- (b) The audit fee of \$7,596 (2016: \$8,540) is borne by a fellow group undertaking.
- (c) No emoluments were paid or payable to directors during the year in respect of their services to the Company (2016: \$nil).
- (d) The average monthly number of persons employed during the year, excluding directors, was nil (2016: nil).
- (e) Employees who are involved in the management and operation of the Company have contracts of service with other Group entities and therefore their remuneration is included with those entities' financial statements.

RIO TINTO WESTERN HOLDINGS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2017 (CONTINUED)**

5 Finance income

	2017 \$M	2016 \$M
Interest income	2	1
	<u>2</u>	<u>1</u>

6 Taxation

	2017 \$M	2016 \$M
Current tax on profit/(loss) for the year	-	-
Total current tax	<u>-</u>	<u>-</u>
Total tax charge for the year	<u>-</u>	<u>-</u>

Factors affecting tax charge for the year

The tax on profit/(loss) for the year is lower than (2016: higher than) the standard rate of corporation tax in the UK of 19.25% (2016: 20%).

The differences are reconciled below:

	2017 \$M	2016 \$M
Profit/(loss) before taxation	<u>733</u>	<u>(7)</u>
Profit/(loss) multiplied by standard rate of corporation tax in the UK of 19.25% (2016: 20%)	141	(2)
Effects of:		
Non-taxable income	(154)	-
Non-tax deductible impairment	12	-
Group relief	1	2
Total tax charge for the year	<u>-</u>	<u>-</u>

Factors that may affect future tax charges

A reduction to the main rate of UK corporation tax from 20% to 19%, with effect from 1 April 2017, was substantively enacted on 26 October 2015, resulting in the standard rate for the year of 19.25%. A further reduction to 17%, with effect from 1 April 2020, was substantively enacted on 6 September 2016. Any deferred tax balances have been calculated at the reduced rates to the extent that they unwind.

RIO TINTO WESTERN HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2017 (CONTINUED)

7 Investments

The amounts recognised in the balance sheet are as follows:

	\$M
Cost	
At 1 January 2017	8,942
Additions	62
At 31 December 2017	<u>9,004</u>
Impairment	
At 1 January 2017	(1,178)
Provision	(62)
At 31 December 2017	<u>(1,240)</u>
Net book value at 31 December 2017	<u>7,764</u>
Net book value at 31 December 2016	<u>7,764</u>

In September 2017, the Company subscribed for \$62 million shares of \$1 each in Rio Tinto Peru Limited, a company which provides funding for a pre-feasibility stage exploration project. The investment was impaired as a result of the uncertainty of future economic benefits arising from exploration projects at this stage.

8 Trade and other receivables

	2017 \$M	2016 \$M
Current:		
Amounts owed by group undertakings	67	126
	<u>67</u>	<u>126</u>

Included within amounts owed to group undertakings is \$66 million (2016: \$126 million) of interest bearing balances. Interest is earned on these balances based on USD LIBOR plus a margin and are repayable on demand. The residual balance is trading in nature and attracts no interest.

9 Trade and other payables

	2017 \$M	2016 \$M
Current		
Amounts due to group undertakings	20	12
	<u>20</u>	<u>12</u>

Amounts due to group undertakings bear no interest and are payable on demand.

RIO TINTO WESTERN HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2017 (CONTINUED)

10 Share capital

Allotted, called up and fully paid shares

	2017		2016	
	No. M	\$ M	No. M	\$ M
Ordinary shares of £1.00 each	30	43	30	43
Ordinary shares of \$1.00 each	<u>2</u>	<u>2</u>	<u>2</u>	<u>2</u>
	<u>32</u>	<u>45</u>	<u>32</u>	<u>45</u>

11 Related party transactions

The Company has taken advantage of the exemption contained within the paragraph 8(k) of FRS 101, and has not disclosed transactions entered into with wholly-owned group entities.

12 Parent and ultimate parent undertaking

The immediate parent undertaking is Rio Tinto European Holdings 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. Copies of the Rio Tinto plc consolidated financial statements can be obtained from the registered office at 6 St James's Square, London, SW1Y 4AD, or from the Rio Tinto website at www.riotinto.com.

13 Related undertakings

In accordance with section 409 of the Companies Act 2006, disclosed below is a full list of related undertakings of the Company. Related undertakings include "subsidiaries", "associated undertakings", and "significant holdings in undertakings other than subsidiary companies". The registered office address, country of incorporation, classes of shares and the effective percentage of equity owned by the Company calculated by reference to voting rights, is disclosed as at 31 December 2017.

13.1 Direct holdings

Name of holdings	Country of incorporation	Registered address	Share class	% of shares class held
Rio Tinto America Holdings Inc.	United States	251 Little Falls Drive, Wilmington DE19808, United States	US\$0.01 Class A Common shares	100%
			US\$100.00 Series A Preferred Stock	100%
Rio Tinto Escondida Limited	Bermuda	22 Canon's Court, Victoria Street, Hamilton, HM 12, Bermuda	US\$1.00 Common shares	100%
Rio Tinto Peru Limited	United Kingdom	6 St James's Square, London, SW1Y 4AD, United Kingdom	US\$1.00 Ordinary shares	100%

RIO TINTO WESTERN HOLDINGS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2017 (CONTINUED)**

13.2 Indirect holdings

Name of holding	Country of incorporation	Registered address	Share class	% of shares class held
Alcan Corporation	United States	CSC, 211 East 7th Street, Suite 620, Austin TX 78701-3218, United States	US\$0.01 Ordinary shares	100%
Alcan International Network U.S.A. Inc.	United States	CSC, 80 State Street, Albany NY 12207-2543 United States	US\$ Ordinary shares	92.9%
Alcan Primary Products Company LLC	United States	251 Little Falls Drive, Wilmington DE19808, United States	US\$ Units shares	100%
Alcan Primary Products Corporation	United States	CSC, 211 East 7th Street, Suite 620, Austin TX 78701-3218, United States	US\$0.01 Ordinary shares	100%
Aluminerie De Bécancour, Inc.	Canada	5555 Pierre Thibault Street, PO 30, Bécancour, Quebec G0X 1B, Canada	CAD1.00 Ordinary shares	23.4%
CIA. Inmobiliaria e Inversiones Cosmos S.A.C.	Peru	Av. Santa Maria No. 110 Urb. Miraflores - MIRAFLORES - LIMA, Peru	PEN1,000.00 Ordinary shares	99.9%
Compania de Transmision Sierraorient S.A.C.	Peru	Av. Santa Maria No. 110 Urb. Miraflores - MIRAFLORES - LIMA, Peru	PEN1,000.00 Ordinary shares	99.9%
Daybreak Development LLC	United States	251 Little Falls Drive, Wilmington DE19808, United States	US\$0.01 Common shares	100%
Daybreak Property Holdings LLC*	United States	CSC, 15 West South Temple, Suite 1701, Salt Lake City UT 84101, United States	-	100%
Daybreak Secondary Water Distribution Company	United States	251 Little Falls Drive, Wilmington DE19808, United States	US\$0.01 Common shares	100%
Daybreak Water Holding LLC	United States	251 Little Falls Drive, Wilmington DE19808, United States	US\$0.01 Common shares	100%

RIO TINTO WESTERN HOLDINGS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2017 (CONTINUED)**

Name of holding	Country of incorporation	Registered address	Share class	% of shares class held
DB Medical I LLC	United States	CSC, 15 West South Temple, Suite 1701, Salt Lake City UT 84101, United States	US\$ Units shares	100%
DBVC1 LLC*	United States	CSC, 15 West South Temple, Suite 1701, Salt Lake City UT 84101, United States	-	100%
Eastland Management Inc.	United States	251 Little Falls Drive, Wilmington DE19808, United States	US\$1.00 Common shares	100%
Empresa de Mineracao Finesa Ltda.	Brazil	SIA, Trecho 2, Lotes 710/720, Brasilia DF, Brazil	BRL0.00 Quotas shares	49%
Flambeau Mining Company	United States	251 Little Falls Drive, Wilmington DE19808, United States	US\$0.01 Common shares	100%
Henlopen Manufacturing Co., Inc.	United States	CSC, 80 State Street Albany NY 12207-2543, United States	US\$100.00 Ordinary shares	100%
High Purity Iron Inc.	United States	251 Little Falls Drive, Wilmington DE19808, United States	US\$1.00 Common shares	100%
Hydrogen Energy International LLC*	United States	Corporation Trust Center, 1209 Orange Street, Wilmington DE 19801, United States	-	50%
Integrity Land and Cattle LLC	United States	CSC, 2338 W. Royal Palm Road, Suite J, Phoenix AZ 85021	US\$ Units shares	100%
Kennecott Barneys Canyon Mining Company	United States	251 Little Falls Drive, Wilmington DE19808, United States	US\$0.01 Common shares	100%
Kennecott Exploration Company	United States	251 Little Falls Drive, Wilmington DE19808, United States	US\$0.01 Common shares	100%
Kennecott Holdings Corporation	United States	251 Little Falls Drive, Wilmington DE19808, United States	US\$0.01 Common shares	100%
Kennecott Land Company	United States	251 Little Falls Drive, Wilmington DE19808, United States	US\$0.01 Common shares	100%

RIO TINTO WESTERN HOLDINGS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2017 (CONTINUED)**

Name of holding	Country of incorporation	Registered address	Share class	% of shares class held
Kennecott Land Investment Company LLC*	United States	251 Little Falls Drive, Wilmington DE19808, United States	-	100%
Kennecott Molybdenum Company	United States	251 Little Falls Drive, Wilmington DE19808, United States	US\$0.01 Common shares	100%
Kennecott Nevada Copper Company	United States	251 Little Falls Drive, Wilmington DE19808, United States	US\$0.01 Common shares	100%
Kennecott Ridgeway Mining Company	United States	251 Little Falls Drive, Wilmington DE19808, United States	US\$1.00 Common shares	100%
Kennecott Royalty Company	United States	251 Little Falls Drive, Wilmington DE19808, United States	US\$100.00 Common shares	100%
Kennecott Services Company	United States	251 Little Falls Drive, Wilmington DE19808, United States	US\$0.01 Common shares	100%
Kennecott Uranium Company	United States	251 Little Falls Drive, Wilmington DE19808, United States	US\$0.01 Common shares	100%
Kennecott Utah Copper LLC	United States	CSC, 15 West South Temple, Suite 1701, Salt Lake City UT 84101, United States	US\$ Units shares	100%
Kennecott Water Distribution LLC	United States	251 Little Falls Drive, Wilmington DE19808, United States	US\$ Ordinary shares	100%
Magma Arizona Railroad Company	United States	CSC, 2338 W. Royal Palm Road, Suite J, Phoenix AZ 85021	US\$100.00 Common shares	55%
Minera Escondida Ltda*	Chile	Av. Cerro Plomo, Piso 18, Las Condes, Santiago, 7580154, Chile	-	30%
Minera Kennecott, S.A. de C.V.	Mexico	Florencia 57, Piso 3, Col. Juarez, Delegacion Cuauhtemoc, Mexico, D.F., 06600, Mexico	MXN1.00 Series "B" shares	100%
Mineracao Tabuleiro Ltda	Brazil	SIA, Trecho 2, Lotes 690/720, Brasilia DF, Brazil	BRL0.00 Quotas shares	48%

RIO TINTO WESTERN HOLDINGS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2017 (CONTINUED)**

Name of holding	Country of incorporation	Registered address	Share class	% of shares class held
Pacific Coast Mines, Inc.	United States	251 Little Falls Drive, Wilmington DE19808, United States	US\$1.00 Common shares	100%
Pechiney Bécancour, Inc.	United States	251 Little Falls Drive, Wilmington DE19808, United States	US\$1.00 Ordinary shares	92.9%
Pechiney Cast Plate, Inc.	United States	251 Little Falls Drive, Wilmington DE19808, United States	US\$1.00 Ordinary shares	100%
Pechiney Holdings, Inc.	United States	251 Little Falls Drive, Wilmington DE19808, United States	US\$1.00 Ordinary shares	92.9%
Pechiney Metals LLC*	United States	251 Little Falls Drive, Wilmington DE19808, United States	-	100%
Pechiney Plastic Packaging, Inc.	United States	251 Little Falls Drive, Wilmington DE19808, United States	US\$ Ordinary shares	100%
Pechiney Reynolds Quebec, Inc.	United States	CSC, 233 South 13th Street, Suite 1900, Lincoln NE 68508, United States	US\$10.00 Common shares	46.7%
			US\$100.00 Preferred shares	100%
Pechiney Sales Corporation	United States	251 Little Falls Drive, Wilmington DE19808, United States	US\$1.00 Ordinary shares	92.9%
Resolution Copper Company	United States	251 Little Falls Drive, Wilmington DE19808, United States	US\$0.01 Common shares	100%
Resolution Copper Mining LLC*	United States	251 Little Falls Drive, Wilmington DE19808, United States	-	55%
Rio Tinto America Inc.	United States	251 Little Falls Drive, Wilmington DE19808, United States	US\$100.00 Common shares	100%
Rio Tinto AuM Company	United States	251 Little Falls Drive, Wilmington DE19808, United States	US\$0.01 Common shares	100%

RIO TINTO WESTERN HOLDINGS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2017 (CONTINUED)**

Name of holding	Country of incorporation	Registered address	Share class	% of shares class held
Rio Tinto Desenvolimentos Minerais Ltda	Brazil	SIG Quadra 04, Lote 175, Torre A, Salas 106 a 109, Edifício Capital Financial Center, Brasília, Brasília, CEP 70610-440, Brazil	BRL Quotas shares	100%
Rio Tinto Energy America Inc.	United States	251 Little Falls Drive, Wilmington DE19808, United States	US\$0.01 Common shares	100%
Rio Tinto Hydrogen Energy LLC*	United States	251 Little Falls Drive, Wilmington DE19808, United States	-	100%
Rio Tinto Minera Peru Limitada SAC	Peru	Av. La Paz 1049, Oficina 501, Lima 18, Peru	PEN100.00 Ordinary shares	100%
Rio Tinto Minerals Inc.	United States	CSC, 15 West South Temple, Suite 1701, Salt Lake City UT 84101, United States	US\$0.01 Common shares	100%
Rio Tinto Mining and Exploration Inc.	United States	251 Little Falls Drive, Wilmington DE19808, United States	US\$1.00 Common shares	100%
Rio Tinto Nickel Company	United States	251 Little Falls Drive, Wilmington DE19808, United States	US\$0.01 Common shares	100%
Rio Tinto Services Inc.	United States	251 Little Falls Drive, Wilmington DE19808, United States	US\$0.01 Common shares	100%
Rio Tinto Technological Resources Inc.	United States	251 Little Falls Drive, Wilmington DE19808, United States	US\$0.01 Common shares	100%
Skymont Corporation	United States	251 Little Falls Drive, Wilmington DE19808, United States	US\$ Common shares	100%
Sohio Western Mining Company	United States	251 Little Falls Drive, Wilmington DE19808, United States	US\$100.00 Common shares	100%
The Pyrites Company, Inc.	United States	251 Little Falls Drive, Wilmington DE19808, United States	US\$1.00 Common shares	100%
Swift Current Land & Cattle LLC*	United States	CSC, 2338 W. Royal Palm Road, Suite J, Phoenix AZ 85021	-	100%

RIO TINTO WESTERN HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2017 (CONTINUED)

Name of holding	Country of incorporation	Registered address	Share class	% of shares class held
Three Crowns Insurance Company Limited	Bermuda	Canon's Court, 22 Victoria Street, Hamilton, HM 12, Bermuda	£1.00 Common shares	100%
U.S. Borax Inc.	United States	251 Little Falls Drive, Wilmington DE19808, United States	US\$0.10 Common shares	100%
Waste Solutions and Recycling LLC	United States	251 Little Falls Drive, Wilmington DE19808, United States	US\$ Units shares	100%
Wyoming Coal Resources Company	United States	251 Little Falls Drive, Wilmington DE19808, United States	US\$0.01 Common shares	100%
201 Logistics Center, LLC*	United States	Corporation Trust Center, 1209 Orange Street, Wilmington DE 19801, United States	-	50%

(*) Ownership is held through an interest in capital. The entity has no classes of shares.

The Company holds 50% in Green Mountain Mining Venture, an unincorporated entity, having its principal place of business situated at 251 Little Falls Drive, Wilmington DE19808, United States.

14 Post balance sheet events

On 6 June 2018, the Company entered into a five year loan agreement for \$4,302 million with Rio Tinto South East Asia Limited, a wholly-owned subsidiary of the Group.