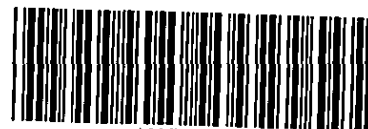


**COMPANY NUMBER 02996686**

**RIO TINTO NAMIBIAN HOLDINGS LIMITED  
ANNUAL REPORT AND FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2008**

June 2009

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**Company Information**

DIRECTORS: D S Larsen  
B J S Mathews  
U Quellmann

SECRETARY: M J Whyte

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 Namibian Holdings Limited ("the Company") is a wholly owned subsidiary of Rio Tinto Overseas Holdings Limited. The Company is an investment holding company for Skeleton Coast Diamonds Limited which itself owns an interest in Rössing Uranium Limited, a mining company operating in Namibia. Details of the principal subsidiary undertaking at 31 December 2008 are given on page 11. It is expected to continue as a holding company for the foreseeable future.

The Company's results from year to year are highly sensitive to the timing of dividend flows and of movements in provisions, and do not necessarily reflect the performance of its group undertakings. The Company's future developments are integrated with those of the Rio Tinto Group ("the Group") which are discussed in its 2008 Annual report and Full financial statements which do not form part of this report.

The Company's profit for the year was £16,957,000 (2007: £5,339,000).

No interim dividend was paid during the year (2007: £5,200,000). The directors do not recommend the payment of a final dividend (2007: £nil).

### PRINCIPAL RISKS AND UNCERTAINTIES

The Company's principal risks and uncertainties are integrated with those of the Group and are not managed separately. The Group's risk factors and policies for financial risk management are also 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 C Lenon resigned 8th December 2008.

No director had a 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

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



M J Whyte  
Secretary

2 Eastbourne Terrace,  
London W2 6LG  
26 June 2009

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

We have audited the financial statements of Rio Tinto Namibian Holdings 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

26 June 2009

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

	Note	<u>2008</u> £000	<u>2007</u> £000
Income from shares in subsidiary undertakings		17,438	5,620
Interest income		391	-
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION	2	17,829	5,620
Taxation	3	(872)	(281)
PROFIT ON ORDINARY ACTIVITIES AFTER TAXATION	8	16,957	5,339
Dividends		-	(5,200)
Retained profit for the year		<u>16,957</u>	<u>139</u>

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 material difference between the profit on ordinary activities before taxation and the retained profit for the year stated above and the historical cost equivalents.

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

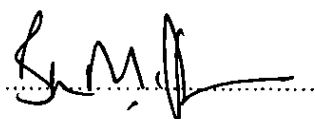
The notes on pages 8 to 12 form part of these financial statements.

**BALANCE SHEET  
AS AT 31 DECEMBER 2008**

	Note	<u>2008</u> £000	<u>2007</u> £000
<b>FIXED ASSETS</b>			
Investments	4	<u>7,572</u>	<u>7,572</u>
<b>CURRENT ASSETS</b>			
Debtors	5	16,938	2
<b>CURRENT LIABILITIES</b>			
Creditors: Amounts falling due within one year	6	-	(21)
<b>NET CURRENT ASSETS / (LIABILITIES)</b>		<u>16,938</u>	<u>(19)</u>
<b>NET ASSETS</b>		<u>24,510</u>	<u>7,553</u>
<b>CAPITAL AND RESERVES</b>			
Called up share capital	7	120	120
Share premium account	8	5,583	5,583
Profit and loss account	8	18,807	1,850
<b>EQUITY SHAREHOLDERS' FUNDS</b>		<u>24,510</u>	<u>7,553</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 26 June 2009 and signed on its behalf by:

  
 B J S Mathews, 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 accounting policies and consider that they are suitable. The principal accounting policies have been applied consistently.

b) Investment income

Income from investments is recognised when the right to receive payment is established. Dividends from subsidiary undertakings registered overseas are presented inclusive of any overseas withholding tax.

c) Taxation

The Company does not pay for, or receive payment for, any group relief claimed from, or surrendered to, other Group companies.

d) Deferred taxation

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.

e) Dividends

Final dividends are recognised when the obligation to make payment is established. Interim dividends are recognised when paid.

f) Investments

Fixed asset investments are valued at cost less impairment provisions. Investments are reviewed for impairment if events or changes in circumstances indicate that the carrying amount may not be recoverable. When a review for impairment is conducted, the recoverable amount is assessed by reference to the net present value of expected future cash flows of the relevant income generating unit or disposal value if higher. The discount rate applied is based upon the Company's weighted average cost of capital, with appropriate adjustment for the risks associated with the relevant unit.

g) Group financial statements

The Company does not produce consolidated financial statements as its results are consolidated into the financial statements of the Rio Tinto Group. Group financial statements have not been prepared as the Company is itself a wholly owned subsidiary of another company incorporated in England and Wales. In the opinion of the directors, the aggregate value of the assets of the Company consisting of shares in, and amounts owing from, its subsidiary companies is not less than the aggregate amount at which those assets are included in the balance sheet.



**NOTES TO THE 2008 FINANCIAL STATEMENTS (continued)****1. ACCOUNTING POLICIES (continued)****h) Reporting format**

The Company acts as an investment holding company, and hence the dividends received from investee companies, the interest receivable on loans to such companies and provisions relating to its investments are presented within operating profit.

**2. OPERATING PROFIT**

- a) The auditors' remuneration of £2,902 is borne by a fellow group undertaking (2007: £4,500).
- b) The average number of persons employed during the year, excluding directors, was nil (2007: nil).
- c) No emoluments were paid to any of the directors in respect of their services to the Company (2007: £nil).

## NOTES TO THE 2008 FINANCIAL STATEMENTS (continued)

3. TAX ON LOSS ON ORDINARY ACTIVITIES

The tax charge based on the result for the year is made up as follows:

	<u>2008</u> £000	<u>2007</u> £000
<b>Current tax:</b>		
UK corporation tax on profits of the year	7,646	2,764
Withholding tax on dividends received	872	281
Deduct: Double taxation relief	(7,646)	(2,764)
	<u>872</u>	<u>281</u>
Total current tax	<u>872</u>	<u>281</u>
	<u>2008</u> £000	<u>2007</u> £000
<b>Deferred tax:</b>		
Original and reversal of timing differences	-	-
Total deferred tax	<u>-</u>	<u>-</u>
Tax on profit on ordinary activities	<u>872</u>	<u>281</u>

The tax assessed for the year is lower than the standard rate of corporation tax in the UK (28.5%). The difference is explained below.

	<u>2008</u> £000	<u>2007</u> £000
Profit on ordinary activities before tax	<u>17,829</u>	<u>5,620</u>
Profit on ordinary activities multiplied by standard rate of tax in the UK 28.5% (2007: 30%)	5,081	1,686
Effects of:		
Gross up for underlying tax	2,676	1,078
Double taxation relief	(7,646)	(2,764)
Withholding tax on dividends received	872	281
Group relief claimed for nil consideration	(111)	-
	<u>872</u>	<u>281</u>
Current tax charge for the year	<u>872</u>	<u>281</u>

In general, the Company does not pay for, or receive payment for, any group relief claimed from, or surrendered to, other Group companies.

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)

4. INVESTMENTS

<u>Interest in subsidiary</u>		Country of Incorporation	Class of shares held	% held	Nature of business activity
Company					
Skeleton Coast Diamonds Limited		Namibia	Ordinary of N\$2	100	Holding company for mining interests

Through Skeleton Coast Diamonds Limited, the Company owns 68.6% of Rössing Uranium Limited, a mining company operating in Namibia. This investment comprises 71.1% of Rössing Uranium Limited's 'B' shares of N\$1 each and 70.6% of its 'C' shares of N10c each.

	<u>2008</u> £000	<u>2007</u> £000
<u>Cost</u>		
At 1 January and 31 December	<u>7,572</u>	<u>7,572</u>

5. DEBTORS

	<u>2008</u> £000	<u>2007</u> £000
Amounts receivable from parent undertakings	<u>16,938</u>	<u>2</u>

6. CREDITORS: Amounts falling due within one year

	<u>2008</u> £000	<u>2007</u> £000
Amounts payable to ultimate parent and fellow subsidiary undertakings	<u>-</u>	<u>21</u>

7. SHARE CAPITAL

	<u>2008</u> £000	<u>2007</u> £000
Authorised: 1,000,000 shares of £1.00 each	<u>1,000</u>	<u>1,000</u>
Issued and fully paid: 120,000 shares of £1.00 each	<u>120</u>	<u>120</u>

## NOTES TO THE 2008 FINANCIAL STATEMENTS (continued)

8. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	Share <u>capital</u> £000	Share <u>premium</u> £000	Profit and loss <u>account</u> £000	<u>Total</u> £000
At 1 January	120	5,583	1,850	7,553
Retained profit for the year	-	-	16,957	16,957
Dividends	-	-	-	-
	<hr/>	<hr/>	<hr/>	<hr/>
At 31 December	<u>120</u>	<u>5,583</u>	<u>18,807</u>	<u>24,510</u>

9. CASH FLOW STATEMENT AND RELATED PARTY DISCLOSURES

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

10. ULTIMATE PARENT UNDERTAKING

The immediate parent undertaking is Rio Tinto Overseas 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. Rio Tinto's consolidated financial statements can be obtained from 2 Eastbourne Terrace, London, W2 6LG, or from the Rio Tinto website at [www.riotinto.com](http://www.riotinto.com)