



# Rio Tinto

Apr 7<sup>th</sup> 2015

## UPDATE - Copper miners rejoice at Mongolian breakthrough

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Miners in Mongolia have hailed this weekends agreement in principle' to develop the underground copper deposits at Oyu Tolgoi as a huge step forward for mining in the country.

Stage 2 development of Mongolia's largest copper mine is now set to begin having been stalled for more than two years due to bitter arguments between the miners and the government.

Rio Tinto (LON:RIO)-controlled Turquoise Hill is the mine's operator and the crux of the issue was how the US\$5bn needed to go underground would be funded.

Oyu Tolgoi is a colossal project. Last year, from surface, almost 148,000 tonnes of copper and 600,000 ounces of gold were produced.

One study suggested if the underground part was also developed it would last 100 years and be worth US\$200bn adding up the copper, gold and silver in unexplored deposits.

The deal was a huge boost, both for the country and mining generally in the region, and removes a major area of uncertainty, said Kincora Copper (CVE: KCC), which has copper and gold licences in Mongolia,

Sam Spring, chief executive, said the perception had been "If Rio Tinto has problems, what is it like for the others?"

He said from now "foreign investor relations in the country should improve quickly."

Kincora recently had two gold licences reinstated after a wider two-year general dispute over licence ownership with the Mongolian authorities.

Spring added: "Like a lot of people, we will wait and see what is going to happen next," but maintained that the prospect of development at Oyu Tolgoi would create optimism among investors.

Mongolia is known as being in a copper belt and is an ideal place for the exploration company to find copper, he said.

Shares in Kincora Copper jumped 20% to 0.03p.

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**Price:** 2862.00p

**Market Cap:** £40,692.38M

#### 1 Year Share Price Graph



#### Share Information

**Code:** RIO

**Listing:** LSE, NYSE, ASX

**Sector:** General Mining

**Website:** www.riotinto.com

#### Company Synopsis:

*Rio Tinto is a leading international mining group that finds, mines and processes the earth's mineral resources. The Group's major products include aluminium, copper, diamonds, energy products, gold, industrial minerals (borates, titanium dioxide, salt and talc), and iron ore. Its activities span the world but are strongly represented in Australia and North America.*

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