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THE RIO TINTO - ZINC CORPORATION LIMITED

ANNUAL RETURN 1974

Account of Shares comprised in each Share Warrant to Bearer

5% "B" Preference

Number of Shares in Warrants of	5 Shares (12975 x 5)	64,875
" " " " " "	10 " (2555 x 10)	25,550
" " " " " "	50 " (2053 x 50)	102,650
" " " " " "	100 " (689 x 100)	68,900
		<u>261,975</u>

Ordinary

Number of Shares in Warrants of	20 Shares (151397 x 20)	3,027,940
" " " " " "	100 Shares (14058 x 100)	1,405,800
" " " " " "	200 Shares (18993 x 200)	3,798,600
		<u>8,232,340</u>

	<u>£</u>
5% "B" Preference 261,975 Shares of £1 each :	261,975
Ordinary 8,232,340 Shares of 25p each :	2,058,085
	<u>2,320,060</u>

B.

Section 4

Number of shares of each class
issued as fully paid up for a
CONSIDERATION OTHER THAN CASH

<u>Number</u>	<u>Class</u>	
7,732,967	'A' Preference	Shares
3,143,750	'B' Preference	Shares
203,329,078	Ordinary and Accumulating Ordinary	Shares
5,520	Ordinary	Shares
202,598	Accumulating Ordinary	Shares
(See Footnote)		

Section 10

Total amount (if any) £61,761,016 on
agreed to be considered as
paid on number of shares of
each class issued as FULLY
PAID UP for a CONSIDERATION
OTHER THAN CASH

7,732,967	'A' Preference	Shares
3,143,750	'B' Preference	Shares
203,329,078	Ordinary and Accumulating Ordinary	Shares
5,520	Ordinary	Shares
202,598	Accumulating Ordinary	Shares
(See Footnote)		

Note:

On 24th October 1973, 28,782,162 of the issued Ordinary shares were converted into Accumulating Ordinary shares. Since the shares of the Company do not bear distinguishing numbers it is not possible to show how many of these shares had originally been issued for cash and how many for a consideration other than cash. Combined totals for the Ordinary and Accumulating Ordinary shares in issue at that date have therefore been given in paragraphs 3, 4, and 10. Separate figures have been given for shares allotted after that date.

THE RIO TINTO-ZINC CORPORATION LIMITED

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<u>Name, nationality (if other than British) and Date of Birth</u>	<u>Address</u>	<u>Business occupation and particulars of other directorships</u>
Richard James Livingstone Altham. 19.1.1924.	Crunnells Green House, Preston, Nr. Hitchin, Herts.	<u>Company Director</u>
Robert Douglas Armstrong. 25.4.1916.- Canadian.	30, Glenorchy Road, Don Mills, Ontario, Canada.	<u>President, Rio Algom Mines Ltd.,</u>
The Hon. Ralph John Assheton. 3.11.1929.	Burners Cottage, Rowley Lane, Wexham, Nr. Slough, Bucks.	<u>Company Director</u> Theodore St. Just & Co Limited
The Hon. Edward Latham Baillieu. 17.10.1919.	Tangle Copse, West Drive, Sunningdale, Berks.	<u>Stockbroker</u> Embankment Trust Limited Austral Trust Limited National Mutual Life Association of Australasia Limited (London Board) St. Martins Property Corporation Limited
Roderick Howard Carnegie. 27.11.1932.- Australian.	15, St. Georges Road, Toorak, Victoria, 3142, Melbourne, Australia.	<u>Company Director</u> AN&S Europe Ltd. Commonwealth Smelting Limited
Gerald Edward Coke. 25.10.1907.	Jenkyn Place, Bentley, Hants.	<u>Company Director</u> The Abbots Investment Trust Ltd., Brandeis Goldschmidt & Co Ltd., Abchurch & General Investment Trust Ltd., S.G. Warburg & Co. Ltd., Mid-Wessex Water Company. Mercury Securities Limited. United Kingdom Provident Institution. Royal Opera House, Covent Garden Limited. Glyndebourne Productions Ltd., B.B.C. (Governor)
David Richard Colville. 11.5.1909.	The Old Vicarage, Dorton, Nr. Aylesbury, Bucks.	<u>Company Director</u> The Bullfinch Company Limited. Colville (Bembridge) Limited. The Continental & Industrial Trust Limited. Eranda Property Company Limited. Quartus Company Limited. Eagle Star Insurance Co. Limited. Rothschild Investment Trust Ltd., R.I.T. Finance Limited. Second Continuation Limited. Nigella Finance Limited. N.M. Rothschild & Sons Limited.

Cont/.....

Name, nationality (if
other than British) and
Date of Birth

Address

Business occupation
and particulars of
other directorships

Alun Grier Davies.
16.9.1914.

Mar Lodge, Dukes
Kiln Drive,
Gerrards Cross,
Bucks.

Company Director
United Kingdom Metal Mining
Association (Member of Council)

Louis Armand Devaux.
5.4.1907. - French.

14, Rue Jean Richepin, Company Director
Paris 16e, France.

✓ Sir John Norman Valette
Duncan. O.B.E.
18.7.1913.

Edenbridge House,
Edenbridge, Kent.

Company Director
Nuclear Developments Limited.
British Overseas Mining
Association (Member of Council)
Hamilton Brothers Oil Company
(Great Britain) Limited.
Anglesey Aluminium Limited.
Bank of England.
British Petroleum Company Ltd.,

Frank Fletcher Espie. O.B.E.
8.5.1917. - Australian.

31, The Right,
South Yarra,
Victoria,
Australia.

Mining Engineer
AM&S Europe Ltd.
Commonwealth Smelting Limited.

Alistair Gilchrist Frame,
3.4.1929.

"Tenningshook"
Sutton Place,
Abinger,
Nr. Dorking,
Surrey.

Chief Mechanical Engineer
The British Channel Tunnel
Co. Limited.

Sir William Basil Goulding,
Bart.
4.11.1909. - Irish.

Dargle Cottage,
Enniskerry,
Co. Wicklow.

Company Director
The Supra Electrical Co. Limited.
The National Bank of Ireland Ltd.

Sam Harris.
17.7.1912. - Citizen of U.S.A.

14, East 75th Street, Attorney at Law
New York City,
N.Y. 10021, U.S.A.,

Edwin Sidney Whiteley
Hunt.
9.8.1906. - Canadian.

River House,
Jonkershoek,
Stellenbosch,
Cape Province,
South Africa.

Managing Director and General
Manager.

Name, nationality (if
other than British) and
Date of Birth

Address

Business occupation
and particulars of
other directorships

Kenneth Frederick Lane.
22.3.1928.

47, Bexley Road,
London. S.E.9.

Group Planning Executive

Mark Littman, Q.C.
4.9.1920.

79, Chester Square,
London. S.W.1.

General Counsel British Steel
Corporation.

Consultant.

Queen's Counsel.

Other Directorships

J.H. Jacks Limited.

British Steel Corporation.

British Enkalon Limited.

Captain John Ridgway Berridge
Longden, O.B.E.
26.5.1909.

Rookley Manor,
Kings Somborne,
Hampshire.

Company Director

Thames Estuary Development
Company Limited.

Russel Tullie Madigan. O.B.E.
22.11.1920. - Australian.

60, Broadway,
East Camberwell,
Victoria, Australia.

Mining Engineer

Bulk Shipping Associates Limited.

William David Mulholland.
16.6.1926. - Citizen of U.S.A.

1296, Redpath Crescent,
Montreal, 109.
Quebec.

Company Director

James Alexander Paterson.
6.2.1926. - Canadian.

24, Thurloe Square,
London. S.W.7.

Company Director

Anglesey Aluminium Limited.

✓ Baron Guy Edouard Alphonse
Paul De Rothschild.
21.5.1909. - French.

21, Rue Laffitte,
Paris, IXE.
France.

Company Director

Second Continuation Limited.

The Rt. Hon. Lord Shackleton
of Burley. (Edward Arthur
Alexander) K.G., P.C., O.B.E.,
15.7.1911.

Long Coppice,
Canford Magna,
Wimborne,
Dorset.

Company Director

Mercury Insurance Holdings Ltd.,
Woodrow Wyatt Holdings Limited.

Sidney Spiro.
27.7.1914. - South African.

43, Lowndes Square,
London. S.W.1.

Company Director

Barclay Bank International Ltd.,
British South Africa Company
Investments Limited.

Central Mining Finance Limited.

Central Mining and Investment
Corporation Limited.

Charter Consolidated Investments
Limited.

Selection Trust Limited.

Name, nationality (if
other than British) and
Date of Birth

Address

Business occupation
and particulars of
other directorships

Norman John Travis.
7.5.1913.

Howe Green Hall,
Nr. Hertford.

Company Director
Burton Baker & Co. Limited.
Theodore St. Just & Co. Limited.

✓ Sir Ronald Mark Cunliffe
Turner.
29.3.1906.

3, The Grove,
Highgate,
London. N.6.

Company Director
Nuclear Developments Limited.
Kenterne Trust Limited.
William Mallinson & Sons Limited.
Lingford Investments Limited.
Commercial Union Assurance Company
Limited.
Robert Benson Lonsdale & Company
(Canada) Limited.
British Home Stores Limited.
The Tunnel Portland Cement Company
Limited.
Gordon-Curzon Properties Limited.
Cornhill Investments Limited.
Crowtree Securities Limited.
Westminster & Kensington Freeholds
Limited.
Kleinwort, Benson, Lonsdale Limited.
Central London Estate Investments
Limited.
Robert Benson, Lonsdale & Co Ltd.,
Montague Burton Limited (Alternate)
Donegal Investment Co. Limited.
Midland & International Banks Ltd.
(Alternate)
Tunnel Cement Investments Limited.
The National Cash Register Co. Ltd.
Kleinwort Benson (Trustees) Limited.
Whitbread Investment Co. Limited.
Anglesey Aluminium Limited.

Roy William Wright. C.B.E.,
10.9.1914.

14, Chelsea Square,
London. S.W.3.

Company Director
Nuclear Developments Limited.
Anglesey Aluminium Limited.
United Kingdom South Africa Trade
Association Ltd. (Member of
Council)

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THE RIO TINTO-ZINC CORPORATION LIMITED

List of Subsidiary and Associated Companies as at 31st December 1973

Key to Headings

1. Name of Company
2. Country of Incorporation
3. Class of shares held
4. Percentage of each class of shares held by R.T.Z. or its Nominees
5. Percentage of each class of shares held by subsidiaries of R.T.Z. or their Nominees

NOTES

Rhodesian Companies have been excluded from this list on the ground that they are excluded from the Group Accounts and that in the present situation accurate information is not available.

Investments in companies amounting to less than 10% of the class of share concerned are not listed.

THE RIO TINTO-ZINC CORPORATION LIMITED 31.12.73.

1.	2.	3.	4.
Fraser & Neave Limited	England	Ord Shrs of £1.	100
Mineral Search Limited	England	Ord Shrs of £1	100
Riomun Limited	England	Ord Shrs of £1	100
Rio Tinto Finance & Exploration Limited	England	Ord Shrs of £1	100
R.T.Z. Aluminium Holdings Limited	England	Ord Shrs of £1	100
R.T.Z. Australian Holdings Limited	England	Ord Shrs of £1	100
R.T.Z. Borax Limited	England	Ord Shrs of £1	100
R.T.Z. Britain Limited	England	Ord Shrs of £1	100
R.T.Z. Canadian Holdings Limited	England	Ord Shrs of £1	100
R.T.Z. Construction and Development Limited	England	Ord Shrs of £1	100
R.T.Z. Consultants Limited	England	Ord Shrs of £1	100
R.T.Z. Development Enterprises Limited	England	Ord Shrs of £1	100
R.T.Z. European Holdings Limited	England	Ord Shrs of £1	100
R.T.Z. Europe Limited	England	Ord Shrs of £1	100
R.T.Z. Finance Limited	England	Ord Shrs of £1	100
R.T.Z. Overseas Holdings Limited	England	Ord Shrs of £1	100
R.T.Z. Pension Fund Trustees Limited	England	Ord Shrs of £1	100
R.T.Z. Sales Limited	England	Ord Shrs of £1	100
R.T.Z. Services Limited	England	Ord Shrs of £1	100

NOTE:

Subsidiaries and Associates of these companies are listed on the attached sheets.

FRAEFURST LIMITED 31.12.73.

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1	2	3	5
British Channel Tunnel Company Limited	England	Ord. Shrs. of £1	20

(4)

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1	2	3	5
Anglo Austral Mines Limited	England	Ord. Shrs. of £1	100
Exploration Ventures Limited	England	Ord. Shrs. of £1	50
Iota Drilling Controls Limited	England	Shrs. of 10p	51
Mineral Holdings Iran Private Limited	Iran	Shrs. of Rls. 10,000	66.7
Penink (Proprietary) Limited	Republic of South Africa	Shrs. of R2	100
RDK Exploration (Pty.) Limited	Republic of South Africa	Shrs. of R2	100
Riofinex do Brasil Geologia e Pesquisa Limitada	Brazil	Shrs. of Cr\$1	100
Riofinex Iran Private Limited	Iran	Shrs. of Rls. 10,000	100
Riofinex Singapore Private Limited	Republic of Singapore	Ord. Shrs. of S\$1	100
R.T.Z. Deep Sea Mining Enterprises Limited	England	Ord. Shrs. of £1	100
Skeleton Coast Diamonds (Pty.) Limited	South West Africa	Shrs. of R2	100

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R.T.Z. ALUMINIUM HOLDINGS LIMITED 31.12.73.

1	2	3	5
Anglesey Aluminium Limited	England	Ord. Shrs. of £1	47
Anglesey Aluminium Construc- tion Limited	England	Ord. Shrs. of £1	100
Anglesey Aluminium Metal Limited	England	Ord. Shrs. of £1	100
Metal Suppliers Limited	Bermuda	Ord. Shrs. of £1	100

R.T.S. AUSTRALIAN HOLDINGS LIMITED 31.12.73.

1	2	3	5
C.R.A. Holdings Pty. Limited	Australia	Shrs. of \$A2	100
Improved Smelting Recoveries Pty. Limited	Australia	Ord. Shrs. of \$A2	100
Capper Pass and Son (Australia) Proprietary Limited	Australia	Shrs. of \$A2	100
Conzinc Riotinto of Australia Limited	Australia	Ord. Shrs. of A50c	80.6
Associated Airlines Proprietary Limited	Australia	Ord. Shrs. of \$A2	45
Australian Fluorine Chemicals Pty. Limited	Australia	Ord. Shrs. of \$A1	50
Australian Mining & Smelting Limited	Australia	Ord. Shrs. of A50c	73.5
AM & S Europe Ltd.	England	Ord. Shrs. of £1	100
Commonwealth Smelting Limited	England	Ord. Shrs. of £1	100
ISC Alloys Limited	England	Ord. Shrs. of £1	100
Mazak Limited	England	"A" Ord. Shrs. of £1	100
Australian Overseas Smelting Pty. Limited	Australia	Shrs. of \$A1	100
The Broken Hill Associated Smelters Proprietary Limited	Australia	Ord. Shrs. of \$A1	50
The Australian Ore and Metal Company Proprietary Limited	Australia	Ord. Shrs. of \$A2	25
Kembla Coal & Coke Pty. Limited	Australia	Shrs. of \$A2	100
The Coal Cliff Collieries Pty. Limited	Australia	Shrs. of \$A2	100
Illawarra Coke Company Pty. Limited	Australia	Shrs. of \$A1	100
Vale Engineering Pty. Limited	Australia	Shrs. of \$A1	100
Pirie Alloys Pty. Limited	Australia	Shrs. of \$A2	100
Heron's Creek Timber Mills Pty. Limited	Australia	Ord. Shrs. of \$A2	100
Heron's Creek Forests Pty. Limited	Australia	Ord. Shrs. of \$A2	100
Longworth's (Laurieton) Pty. Limited	Australia	Ord. Shrs. of \$A2	100
New Broken Hill Consolidated Limited	Australia	Ord. Shrs. of A25c	100
AM & S Exploration Pty. Limited	Australia	Ord. Shrs. of \$A2	100
The Southern Power Corporation Pty. Limited	Australia	Ord. Shrs. of \$A2	100
Western New South Wales Electric Power Proprietary Limited	Australia	Ord. Shrs. of \$A2	31.7
Sulphide Corporation Pty. Limited	Australia	Ord. Shrs. of \$A2	100

1	2	3	5
The Zinc Corporation, Limited	Australia	Ord. Shrs. of \$A2.50	100
The Australian Ore and Metal Company Proprietary Limited	Australia	Ord. Shrs. of \$A2	25
The Barrier Corporation Pty. Limited	Australia	Ord. Shrs. of \$A2	100
The Barrier Corporation (Vic) Pty. Limited	Australia	Ord. Shrs. of \$A2	100
Basic Resources Australia Pty. Limited	Australia	Ord. Shrs. of \$A2	100
Berra Pty. Limited	Australia	Shrs. of \$A1	100
111 Collins Street Proprietary Limited	Australia	Shrs. of \$A2	79.9
Blair Athol Coal Pty. Ltd.	Australia	Ord. Shrs. of \$A2	57
Bougainville Copper Limited	P.N.G.	Ord. Shrs. of A50c	53.6
Bougainville Mining Limited	Australia	Ord. Shrs. of A50c	100
The Broken Hill Corporation Limited (In Liquidation)	England	Ord. Shrs. of £1	100
Capital Mines Pty. Limited (In Liquidation)	Australia	Ord. Shrs. of \$A1	66.7
Cobar Mines Proprietary Limited	Australia	Ord. Shrs. of \$A2	23.3
Cobar South Proprietary Limited	Australia	Ord. Shrs. of \$A2	23.3
Consolidated Zinc Proprietary Limited	Australia	Ord. Shrs. of \$A2	100
Conzinc Riotinto Administrative Services Pty. Limited	Australia	Ord. Shrs. of \$A2	100
C.R.A. Exploration Pty. Limited	Australia	Ord. Shrs. of \$A2	100
C.R.A. Holdings (Malaysia) Sdn. Berhad	Malaysia	Ord. Shrs. of \$M1	100
Conzinc Riotinto Malaysia Sdn. Berhad	Malaysia	Ord. Shrs. of \$M1	25
C.R.A. Pty. Limited ;	Australia	Ord. Shrs. of \$A2	100
C.R.A. Services Limited	Australia	Ord. Shrs. of \$A2	100
Group Computer Services Pty. Limited	Australia	Ord. Shrs. of \$A1	40
Hamersley Holdings Limited	Australia	Ord. Shrs. of A25c	54
Pulk Shipping Associates Limited	England	Ord. Shrs. of £1	50
Hamersley Exploration Pty. Limited	Australia	Ord. Shrs. of \$A0.01	100
Hamersley Iron Finance N.V.	Netherlands Antilles	Shrs. of US\$1	100
Hamersley Iron Pty. Limited	Australia	Ord. Shrs. of \$A2	100
Hamersley Japan Limited	Japan	Ord. Shrs. of 1,000 yen	99.9

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1	2	3	5
Himet Corporation Limited	Australia	Ord. Shrs. of \$A0.01	100
Metallised Ores Limited	Australia	Ord. Shrs. of \$A0.01	100
Mount Bruce Mining Pty. Limited	Australia	Ord. Shrs. of A50c	100
Interstate Oil Limited	Australia	Ord. Shrs. of A50c	53.4
Frome-Broken Hill Company Proprietary Limited	Australia	Ord. Shrs. of \$A2	33.3
Mary Kathleen Uranium Ltd.	Australia	Ord. Stock Units of A25c	51
Metals Investigation Proprietary Limited	Australia	Ord. Shrs. of \$A2	100
Minenco Pty. Limited	Australia	Ord. Shrs. of \$A2	100
Mines Transportation Pty. Limited	Australia	Ord. Shrs. of \$A1	100
Nuclear Fuels Pty. Limited	Australia	Ord. Shrs. of \$A2	100
Pacific Aluminium Pty. Limited	Australia	Ord. Shrs. of \$A2	100
Queensland Alumina . Limited	Australia	Ord. Shrs. of \$A2	12.5
Panguna Development Foundation Limited	P.N.G.	Limited by guarantee	100
Arawa Enterprises Limited	P.N.G.	Shrs. of \$1	51
Arawa Hotels Pty. Limited	P.N.G.	Shrs. of \$1	100
Barapinang Enterprises Limited	P.N.G.	Shrs. of \$1	100
P.D.F. Holdings Pty. Limited	P.N.G.	Shrs. of \$1	100
P.D.F. Wholesalers Pty. Limited	P.N.G.	Shrs. of \$1	100
Rio Tinto Collieries Pty. Limited	Australia	Ord. Shrs. of \$A2	100
Rio Tinto Industries Pty. Limited	Australia	Ord. Shrs. of \$A2	100
C.R.A. Engineering Pty. Limited	Australia	Ord. Shrs. of \$A1	100
Rio Tinto-Zinc (Japan) Limited	Japan	Ord. Shrs. of 500 yen	70
Territory Enterprises Pty. Limited	Australia	Ord. Shrs. of \$A2	100
Zinc Corporation (London) Limited	England	Ord. Shrs. of £1	100
Comalco Limited	Australia	"B" Shrs. of A50c	100
AHI Aluminium Limited	New Zealand	Shrs. of NZ50c	50
Aluminium Centre Limited	New Zealand	Ord. Shrs.	100
Aluminium Ladder Company Limited	New Zealand	Ord. Shrs.	100
Anodising Engineers Limited	New Zealand	Ord. Shrs.	100
Fisher Commercial Windows Limited	New Zealand	Ord. Shrs.	100
Fisher Windows Limited	New Zealand	Ord. Shrs.	100

1	2	3	5
Lyte Aluminium Industries Limited	New Zealand	Ord. Shrs.	100
Lyte Ladders Limited	New Zealand	Ord. Shrs.	100
Lyte Trimview (N.Z.) Limited	New Zealand	Ord. Shrs.	100
Rylock Company Limited	New Zealand	Ord. Shrs.	100
Structural Aluminium Company Limited	New Zealand	Ord. Shrs.	100
Wellington Aluminium Company Limited	New Zealand	Ord. Shrs.	100
Alcom Investments N.V.	Netherlands Antilles	Shrs. of DFL100	100
Concomal B.V.	The Netherlands	Shrs. of DFL100	100
Aurukun Pty. Limited	Australia	Shrs. of \$A1	100
Chiap Hua Comalco Limited	Hong Kong	Shrs. of \$HK100	45
Petman Limited	Hong Kong	Shrs. of \$HK10	100
Petman (Borneo) Limited	Borneo	Shrs. of Brunei\$10	100
Clay Products Pty. Limited	Australia	Shrs. of \$A1	100
Comalco Aluminium (Bell Bay) Limited	Australia	Ord. Shrs. of \$A1	100
Comalco Aluminium Limited	New Zealand	Shrs. of \$NZ2	100
Comalco Aluminium Powder Pty. Limited	Australia	"A" & "B" Shrs. of \$A1	100
Comalco (Asia) Limited	Hong Kong	Shrs. of \$HK10	100
Comalco Bauxite (H.K.) Limited	Hong Kong	Shrs. of \$HK10	52
Comalco Extrusions Limited	New Zealand	Shrs. of \$NZ2	50
Comalco Fabricators Limited	Australia	Shrs. of \$A2	100
Comalco Investments Europe S.A.	Luxembourg	Shrs. of US\$100	100
New Zealand Aluminium Smelters Limited	New Zealand	"D" Shrs. of \$NZ1 ("A" Shrs. of \$NZ1 held by Comalco Limited	100
New Zealand Construction Co. Limited	New Zealand	Shrs. of \$NZ1	100
Comalco Japan K.K.	Japan	Shrs. of 1000 yen	100
Comalco (J. & S.) Pty. Limited	Australia	"C" Shrs. of \$A1	100
Comalco (N.G.) Pty. Limited	P.N.G.	Shrs. of \$A1	100
Comalco Power (N.Z.) Limited	New Zealand	Shrs. of \$NZ1	100
Comalco Products Pty. Limited	Australia	Shrs. of \$A1	100
Commonwealth Aluminium Corporation Limited	Australia	Shrs. of \$A1	100

1	2	3	5
Dampier Salt Limited	Australia	Shrs. of \$A1	50
Eurallumina S.p.A.	Italy	Shrs. of 1000 lire	20
International Containers Limited	Hong Kong	Shrs. of \$HK100	45
J.P.P. (Queensland) Pty. Limited	Australia	Shrs. of \$A1	100
New Zealand Power Limited	New Zealand	Shrs. of \$NZ2	100
Patterson Distributors Limited	New Zealand	Shrs. of \$NZ2	100
Queensland Alumina Limited	Australia	Shrs. of \$A2	13.83
Southern Aluminium Pty. Limited	Australia	Shrs. of \$A1	100
West Pacific Salt Limited	Hong Kong	Shrs. of \$HK 1	50
Wunderlich Aluminium Co. Pty. Limited	Australia	"B" Ord. Shrs. of \$A1	100

1	2	3	4
Berk Spencer Acids Limited	England	Ord. Shrs. of £10	40
Theodore St. Just & Company Ltd.	England	Ord. Shrs. of £1	100
Borax Consolidated Limited	England	Ord. Shrs. of £1	100
Borax Francais S.A.	France	Ord. Shrs. of Fr.45	100
Borax (Holdings) Limited	England	Ord. Shrs. of £1	100
Borax Morarji Limited	India	Ord. Shrs. of Rs.50	45
Borax N.V.	Netherlands	Ord. Shrs. of Fl.1,000	100
Borax-Rehak Gesellschaft m.b.H.	Austria	Ord. Shrs.	100
Boroquimica Limited	England	Ord. Shrs. of £1	100
Boroquimica S.A.M.I.C.A.F.	Argentina	Ord. Bearer Shrs. of A\$PI	100
Burton Baker & Company Limited	England	Ord. Shrs. of £1	100
Compagnie Productrice des Borates S.A.	Belgium	Share Warrants to Bearer of no par value	100
Deutsche Borax Gesellschaft m.b.H.	Germany	Ord. Shrs.	51
Joseph Townsend Limited	Scotland	Ord. Shrs. of £10	100
La Productora de Borax y Articulos Quimicos S.A.	Spain	Share Warrants to Bearer of Ptas.3,000	100
Nieto de Juan Framis Manen S.A.	Spain	Share Warrants to Bearer of Ptas.5,000	100
Tartarico Espanol S.A.	Spain	Shrs. of Ptas.10,000	20
Pto Holdings Corporation	U.S.A.	Common Stock of \$1	100
Aluminum Alloys Corporation	U.S.A.	Shrs. of no par value	100
IRO Corporation	U.S.A.	Shrs. of Common Stock of \$1	100
Ireco Chemicals	U.S.A.	Class "A" Shrs. of Common Stock of \$1	50
Eminex-Empresa Mineira de Explosivos Ltda.	Brazil	Ord. Shrs.	49
ICECO S.A.	Switzerland		49
IRECO Aluminum Inc.	U.S.A.	Shares of \$1	100
IRECO A.N.Z. (Pty.) Limited	Australia		100
IRECO Blasting, Inc.	U.S.A.	Ord. Shrs.	100

1	2	3	5
IRECO Carribean, Inc.	U.S.A.	Ord. Shrs.	100
IRECO Chile Ltda.	Chile	Ord. Shrs.	75
IRECO de Mexico S.A. de C.V.	Mexico	Ord. Shrs.	51
IRECO of Canada Limited	Canada	Common Shrs. of C\$1	100
IRECO of Latin America (in liquidation)	Panama	Ord. Shrs.	100
Rio Tinto-Zinc Corporation of America	U.S.A.	Shrs. of no par value	100
Nippon Yttrium Company Limited	Japan	Shrs. of 500 yen	33.3
United States Borax & Chemical Corporation	U.S.A.	Common Shrs. of \$1	100
A.P.M. Operators Limited	Canada	Ord. Shrs. of no par value	40
Pacific Coast Borax Company	U.S.A.	Common Stock of US\$10	100
The Pyrites Company Inc.	U.S.A.	Shrs. of \$1	100
Sylvinite Communications Inc.	U.S.A.	Common Stock of no par value	100
U.S. Borax Research Corporation	U.S.A.	Common Stock of \$1	100
R.T.Z. Chemicals Limited	England	Ord. Shrs. of £1	100
Aluminium Sulphate Limited	England	Ord. Shrs. of £1	50
Thames Alum Company Limited			20
Barium Chemicals Limited	England	Ord. Shrs. of £1	100
Bristol Chemicals Limited	England	Ord. Shrs. of £1	33.3
Fricker's Metal and Chemical Company Limited	England	Ord. Shrs. of £1	100
Hardman and Holden Limited	England	Ord. Stock Units of 25p	100
Barlocher Manox Limited	England		50
J.M. Beckett & Son Limited	England	5% Non-Cum. Pref. Shrs. of £1	100
		Ord. Shrs. of £1	100
Manchester Oxide Limited	England	Shrs. of £1	100
I.S.C. Chemicals Limited	England	Ord. Shrs. of £1	100
Morris de Leval Limited	England	Ord. Shrs. of £1	50
Synthanite Screeds Limited	England	Ord. Shrs. of £1	100
Nutfield Manufacturing Company Limited	England	Ord. Shrs. of £1	100
Rare Earth Products Limited	England	Ord. Shrs. of £1	50
Thorium Limited	England	Ord. Shrs. of £1	100
Turk Boraks Madencilik A.S.	Turkey	Ord. Shrs. of Ltq. 1,000	80

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R.T.Z. BRITAIN LIMITED 31.12.73.

1	2	3	5
Autoloy Limited	England	Ord. Shrs. of £1	100
Commonwealth Smelting Limited	England	7% Redeemable Pref. Shrs. of £1	100
Imperial Smelting Corporation Limited	England	Ord. Shrs. of £1	100
Imperial Smelting Corporation (N.S.C.) Limited	England	Ord. Shrs. of £1	100
Metallurgical Processes Limited	Bahamas	Shrs. of \$B2.86	100
Brevets Metallurgiques S.A.	Switzerland	Shrs. of SF100	100
Improved Metallurgy Limited	Bahamas	Shrs. of \$B2.86	50
Industrial Investments Limited	Bahamas	Ord. Shrs. of \$B2.86	100
The Metallurgical Development Company	Bahamas	Partnership share	50
Imperial Smelting Processes Limited	England	Ord. Shrs. of 50p	100
I.S.C. Smelting Limited	England	Ord. Shrs. of £1	100
The Metallurgical Development Company	Bahamas	Partnership share	50
National Mineral Development Limited	England	Ord. Shrs. of £1	100
Platt Metals Holdings Limited	England	Ord. Shrs. of £1	50
Precision Lightweight Engineering Limited	England	Ord. Shrs. of £1	100
R.T.Z. Britain Finance Limited	England	Ord. Shrs. of £1	100

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1	2	3	5
The Consolidated Zinc Corporation of Canada Limited	Canada	Shrs. of no par value	100
Here Fault Copper Limited	Canada	Shrs. of no par value	14.5
Waite Lake Mines Limited (N.P.L.)	Canada	Shrs. of \$C1	52.5
Tinto Holdings Canada Limited	Canada	Shrs. of no par value	100
Ceres Investments Limited	Canada	Shrs. of \$C1	100
Lacwin Mining Company Limited	Canada	Shrs. of no par value	11.1
Rio Tinto (New York) Inc.	U.S.A.	Shrs. of US\$1	100
Rio Tinto North American Services Limited	Canada	Common Shrs. of \$C1	100
Thornwood Investments Limited	Canada	Shrs. of no par value	87
Brinco Limited	Canada	Shrs. of no par value	46
Abitibi Asbestos Mining Company Limited	Canada	Shrs. of \$C1	26
British Newfoundland Exploration Limited	Canada	Shrs. of no par value	100
Churchill Falls (Labrador) Corporation Limited	Canada	Shrs. of no par value	56.9
Twin Falls Power Corporation Limited	Canada	Class "A" Shrs. of \$C10	100
Coseka Resources Limited	Canada	Shrs. of no par value	12
Iskut Pulpower Limited	Canada	Shrs. of no par value	60
Tinto Holdings (South Africa) Limited	South Africa	Shrs. of R1	100
Jetstream South Africa Limited	South Africa	Shrs. of R1	100
Preston Mines Limited	Canada	Common Shrs. of no par value	80.9
Rio Algom Mines Limited	Canada	Common Shrs. of no par value (15.8% also held by Tinto Holdings Canada Limited)	43.9
Aceromex-Atlas S.A.	Mexico	Shrs. of \$Mex 1,000	86.8
Atlas Alloys Inc.	U.S.A.	Shrs. of US\$10 5% Pref. Shrs. of US\$10,000	100 100
Rio Algom Corporation	U.S.A.	Shrs. of US\$1	100
Atlas Alloys Limited	England	Shrs. of £100	100
Atlas Steels (Australia) Pty. Limited	Australia	Shrs. of \$A2	100
Atlas Steels Company Limited	Canada	Shrs. of no par value	100
Atlas Steels (Nederland) N.V.	Holland	Shrs. of Fl.1,000	100

R.T.L. CANADIAN HOLDINGS LIMITED 31.12.73.

1	2	3	5
Atlas Steels S.A.	Switzerland	Shrs. of SF1,000	100
Eagle Rock Iron Mines Limited	Canada	Shrs. of \$C1	40.5
Horne Gaspé Mines Limited	Canada	Shrs. of no par value	77.7
Lornex Mining Corporation Ltd.	Canada	Common Shrs. of \$C1	55.18
Mobrun Copper Ltd. (N.P.L.)	Canada	Shrs. of \$C1	42.3
Nuclear Fuels of Canada Limited	Canada	Shrs. of \$C10	100
Oceanic Iron Ore of Canada Limited	Canada	Shrs. of Can\$50c	45.5
Oceanic Iron Ore (Quebec) Limited (N.P.L.)	Canada	Shrs. of \$C1	100
Pidgeon Molybdenum Mines Limited	Canada	Shrs. of \$C1	60
Rio Tinto Canadian Exploration Limited	Canada	Shrs. of no par value	100
Highvale Copper Mines Limited	Canada	Shrs. of Can\$50c	60
Sage Creek Coal Limited	Canada	"A" Shrs. of no par value	60
Rio Tinto Nuclear Products Limited	Canada	Common Shrs. of \$C10	100
		Pref. Shrs. of \$C10	100

R.T.Z. CONSULTANTS LIMITED 31.12.73.

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1	2	3	5
Metalogic Limited	England	Ord. Shrs. of £1=	100

(A)

(B)

(C)

(D)

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1	2	3	5
Muirshiel Barytes Company Limited	Scotland	Ord. Shrs. of £1	100
Nuclear Developments Limited	England	Ord. Shrs. of £1	33.3
<input type="checkbox"/> Nuclear Fuels Limited	England	Ord. Shrs. of £1	100
Nukem G.m.b.H.	W. Germany	Stock Units of DM1,000	18
R.T.Z. Aluminium Limited	England	Ord. Shrs. of £1	100
R.T.Z. Mineral Services Limited	Switzerland	Ord. Shrs. of S.F.1,000	100
<input type="checkbox"/> Rallip Trading Limited	England	Ord. Shrs. of £1	100

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1	2	3	4
Avonmouth Farms Limited	England	Ord. Shrs of £1	100
Capner Pass and Son Limited	England	Ord. Shrs of £1	100
RTZ Estates Limited	England	Ord. Shrs of £1	100
Abingway Limited	England	Ord. Shrs of £1	50
Chelbridge Investments Limited	England	Ord. Shrs of £1	100
R.T.Z. Pillar Limited	England	Ord. Shrs of 10p	100
Pillar Aluminium Limited	England	Ord. Shrs of £1	100
Acorn Anodising Company Limited	England	Ord. Shrs of £1	100
Acorn Aluminium Products Limited	England	Ord. Shrs of £1	100
Acorn Hardas Limited	England	Ord. Shrs of £1	100
Ano-Coil Limited	England	Ord. Shrs of £1	51
Archital Luxfer Limited	England	Ord. Shrs of £1	100
Architectural Anodising Limited	England	Ord. Shrs of £1	100
Duraflex Housecrafts Limited	England	Ord. Shrs of £1	100
Ellay Enfield Tubes Limited	England	Ord. Shrs of £1 & 6% Non Cum Pref. Shrs of £1	100 100
European Profiles Limited	England	Ord. Shrs of £1	92.5
Formalloy Limited	England	Ord. Shrs of £1	70
Hancock Aluminium Glasshouses Limited	England	Ord. Shrs of £1	100
Home Insulation Limited	England	"A" Ord. Shrs of 5p "B" Ord. Shrs of 5p 8% Non Cum Pref. Shrs of £1	100 100 100
Comfort Finance Limited	England	Ord. Shrs of £1	100
Everest Double Glazing Limited	England	Ord. Shrs of £1	100
Solaramic Limited	England	Ord. Shrs of £1	100
Sound Insulation Limited	England	Ord. Shrs of £1	100
Indalex Limited	England	Ord. Shrs of £1 "A" Ord. Shrs of 5p	100 100
The Aluminium Powder Company Limited	England	Ord. Shrs of £1	33.3
Alpoco Developments Limited	England	Ord. Shrs of £1	51
KW-Revai Chemicals Limited	England	Ord. Shrs of £1	100

1	2	3	4
Hellows Refrabs Limited	England	Ord. Shrs of £1	100
Pillar Glass Limited	England	Ord. Shrs of £1	100
Doulton Glass Industries (Holdings) Limited	England	Ord. Shrs of £1 & 5% Pref. Shrs of £1	21 21
Pillar Metal Industries Limited	England	Ord. Shrs of £1	50
Pillar Patent Glazing Limited	England	Ord. Shrs of £1	100
Precision Metal Forming Limited	England	Ord. Shrs of £1	100
Pressweld Limited	England	Ord. Shrs of £1	87.5
R.T.Z. Extruders Limited	England	Ord. Shrs of £1	100
R.T.Z. Metals North Limited	England	Ord. Shrs of £1	100
R.T.Z. Metals South Limited	England	Ord. Shrs of £1	100
Universal Shopfitting Company (London) Limited	England	Ord. Shrs of £1	100
Pillar Engineering Limited	England	Ord. Shrs of 10p	100
Aeroparts Engineering Company Limited	England	Ord. Shrs of £1	100
Andrew Chalmers & Mitchell Limited	Scotland	Ord. Shrs of £1	100
B. Attewell & Sons (Engineering) Limited	England	Ord. Shrs of £1	100
Aviation Engineering & Maintenance Company Limited	England	Ord. Shrs of £1 & 3% Non Cum. Pref. Shrs of £1	100 100
Edward G. Herbert Limited	England	Ord. Shrs of 25p	14.4
Geerpres Europe Limited	England	Ord. Shrs of £1	100
Geerpres (Aust.) Pty. Limited	Australia	Ord. Shrs of A\$1	50
Hall & Stinson Limited	England	Ord. Shrs of £1	100
Hants and Sussex Aviation Limited	England	Ord. Shrs of 5p & 6% Non Cum. Pref. Shrs of £1 & 8% Non Cum. Pref. Shrs of £1	100 100 100
Peak Engineering Company Limited	England	Ord. Shrs of £1	100
Phoenix Electrical Company Limited	England	Ord. Shrs of £1	100
Norris Phoenix Dubai Limited	England	"B" Ord. Shrs of £1	100
Phoenix Building Services (Barbados) Limited	Barbados	Ord. Shrs of £1	100
Pillar Merchanting Limited	England	Ord. Shrs of £1	95
A.G. Strachan & Company Limited	England	Ord. Shrs of £1	90
Pillar Engineering Suppliers Limited	England	Ord. Shrs of £1	100

Pillar Seals & Gaskets Limited	England	Ord. Shrs of £1	100
Pillar Socket Screws Limited	England	Ord. Shrs of £1	100
Protofram Limited	England	Ord. Shrs of £1	100
Pillar-Wedge Limited	England	Ord. Shrs of £1	69.75
Liver-Simpson (Galvanisers) Limited	England	Ord. Shrs of £1	100
Liver Galvanising Co. (Manchester) Limited	England	Ord. Shrs of £1	100
Phillips Sharples (Manchester) Limited	England	Ord. Shrs of £1	100
Manchester Galvanising Limited	England	Ord. Shrs of £1	100
Metaltreat Limited	England	Ord. Shrs of £1	100
The Burnell Galvanizing Company Limited	England	Ord. Shrs of £1	100
Pneumatic Components Limited	England	Ord. Shrs of £1 & 10% Cum. Pref. Shrs of £1	100 100
Strebor Diecasting Co. Limited	England	Ord. Shrs of 25p.	100
Manchester Diecasting Co. (1950) Limited	England	Ord. Shrs of £1	100
Strebor (Locks) Limited	England	Ord. Shrs of £1	100
Welding Rods Limited	England	Ord. Shrs of £1	100
Westland Motor Company Limited	England	Ord. Shrs of £1	100
Aeroparts Limited	England	Ord. Shrs of 5p.	100
Air Engine Sales Limited	England	Ord. Shrs of £1	100
Air Engine Services Limited	England	Ord. Shrs of £1	100
Ajax Architectural Group Limited	England	Ord. Shrs of £1	100
Aluminium Home Improvements Limited	England	Ord. Shrs of £1	100
Aluminium Sales Limited	England	Ord. Shrs of £1 & 6% Non Cum. Pref. Shrs of £1	100 100
Archital Entrances Limited	England	Ord. Shrs of £1	100
A. Arden & Co. Limited	England	Ord. Shrs of £1	100
B. Attewell & Sons (Shims) Limited	England	Ord. Shrs of £1	100
Clarke & Co. (Hoxton) Limited	England	Ord. Shrs of £1 & 4% Cum. Pref. Shrs of £1	100 100
Corstruc International Limited	England	Ord. Shrs of £1	50
Faulkner Greene & Company Limited	England	Ord. Shrs of £1 & 7½% Red. Cum. Pref. Shrs of £1	100 100

1	2	3	5
Fryat Motors Limited	England	Ord. Shrs of £1	100
Glentaggart Limited	Scotland	Ord. Shrs of £1	100
Glostal (Ireland) Limited	Eire	Ord. Shrs of £1	100
Glostal Limited	England	Ord. Shrs of 5p Ord. Shrs of £1	100 100
Hamilton Chemicals Limited	England	Ord. Shrs of £1 "A" Ord. Shrs of £1	100 100
Indal Building Services Limited	England	Ord. Shrs of £1	100
Airlight Aluminium Windows Limited	England	Ord. Shrs of £1	100
Ajax Aluminium (Exports) Limited	England	Ord. Shrs of £1	100
Ajax Aluminium (Northern) Limited	England	Ord. Shrs of £1	100
Ajax Aluminium Limited	England	Ord. Shrs of £1	100
Doodson & Bain Limited	England	Ord. Shrs of £1	100
Holoplast Limited	England	Ord. Shrs of £1	100
Quicktho Engineering Limited	England	Ord. Shrs of £1	100
W. G. Kaleyards Limited	England	Ord. Shrs of £1	100
Independant Aluminium Extruders Limited	England	Ord. Shrs of £1	100
Independant Aluminium Holdings Limited	England	Ord. Shrs of £1	100
Invicta Electrodes Limited	England	Ord. Shrs of £1	100
James A. Howard (Holdings) Limited	England	Ord. Shrs of £1 & 6% Non Cum. Pref. Shrs of £1	100 100
Keizer (Glazing) Contractors Limited	England	Ord. Shrs of £1	100
Keizer Howard (Glazing) Limited	England	Ord. Shrs of £1	100
Keizer Howard Limited	England	Def. Shrs of 10p & Ord. Shrs of 10p	100 100
London Metal Warehouses Limited	England	Ord. Shrs of £1 & 5% Cum. Pref. Shrs of £1	100 100
Peak-Quicktho Properties Limited	England	Ord. Shrs of £1	100
Phoenix Electrical (Scotland) Limited	Scotland	Ord. Shrs of £1	100
Pilag Limited	England	Ord. Shrs of £1	100
Pillar Commercial Companies Limited	England	Ord. Shrs of 25p	100

1	2	3	5
Pillar International Services Limited	Bermuda	Shrs of \$BD.2.40	100
Metal Suppliers Limited	Bermuda	Shrs of £1	100
Pillar Metals Limited	England	Ord. Shrs of £1	100
Pillar Nominees Limited	England	Ord. Shrs of £1	100
Pillar Plastic Seals Limited	England	Ord. Shrs of £1	100
Pressweld Aluminium Limited	England	Ord. Shrs of £1	100
J. Proctor (Building Services) Limited	Scotland	Ord. Shrs of £1	100
Rallip Engineering Limited	England	Ord. Shrs of £1	100
Rallip Holdings Limited	England	Ord. Shrs of £1	100
Rallip Services Limited	England	Ord. Shrs of £1	100
A. Revai & Co. (Chemicals) Limited	England	Ord. Shrs of £1	100
Robinson King & British Challenge Glazing Co. Limited	England	Ord. Shrs of £1 & 7% Cum. Pref. Shrs of £1	100 100
Sintec (Metals) Limited	England	Ord. Shrs of £1	100
Supermet Limited	England	Ord. Shrs of 5p	100
Windowall Limited	England	Ord. Shrs of £1 & 6% Cum. Pref. Shrs of £1	100 100
Rallip Holdings Pty. Limited	Australia	Ord. Shrs of A\$1	100
Pillar Australia Limited	Australia	Ord. Shrs of A\$1	100
R.T.Z. Pillar Pacific Pty. Limited	Australia	Ord. Shrs of A\$1	100
PNI Limited	Australia	Stock Units of A\$1	100
Bethonga Investments Pty. Limited	Australia	Ord. Shrs of A\$1	100
Brisbane Water Glass Pty. Limited	Australia	Ord. Shrs of A25¢	75
Crittall-Hope Eastern Group Pty. Limited	Australia	Ord. Shrs of A\$1	100
Pillar AHI Limited	New Zealand	Ord. Shrs of NZ\$2	50
Pillar Naco (Malaysia) Sdn Bhd	Malaysia	Ord. Shrs of MAL\$1	100
Pillar Naco (Singapore) Limited	Singapore	Ord. Shrs of SING\$1	100
S. G. Hicks & Sons Pty. Limited	Australia	Ord. Shrs of A\$2	100
Naco Sunsash Louvres (Nigeria) Limited	Nigeria	Ord. Shrs of ₦2	100
New-Al Windows Pty. Limited	Australia	Ord. Shrs of A\$2	100
Pillar Naco Caribbean Limited	Jamaica	Ord. Shrs of J\$1	50

Pillar Naco Holdings (Pty.) Limited	S. Africa	Ord. Shrs of R1	100
Pillar Naco (S.A.) (Pty.) Limited	S. Africa	Ord. Shrs of R1	100
Pillar Naco Industries (Europe) s.r.l.	Italy	Shrs of Lit.10,000	100
Pillar Naco (U.K.) Limited	England	Ord. Shrs of £1	100
The Louvre Window Company Limited	Nigeria	Ord. Shrs of ₦2	50
Trend Windows Pty. Limited	Australia	Ord. Shrs of A\$1 & 8½% Cum. Red. Pref. Shrs of A\$1	51 100
Gemini Screens Pty. Limited	Australia	Ord. Shrs of A\$1	100
Hicks Windows Pty. Limited	Australia	Ord. Shrs of A\$2	100
Trend Windows (ACT) Pty. Limited	Australia	Ord. Shrs. of A\$1	70
Wholesale & Imported Timbers Pty. Limited	Australia	Ord. Shrs of A\$2 & 8½% Cum. Red. Pref. Shrs of A\$2	51 100
Evrob Timbers Pty. Limited	Australia	Ord. Shrs of A\$2	100
Alreco (No. 2) Limited	England	Ord. Shrs of 5p & 6% Non Cum. Pref. Shrs of £1	100 100
Indal Canada Limited	Canada	Common Shrs of no Par Value	61.13
Airlite Glass Insulating Limited	Canada	Common Shrs of no Par Value	75
Brampton Aluminum Products Limited	Canada	Common Shrs of no Par Value	100
Celwood Plastics Ltd.	Canada	Common Shrs of no Par Value	60
Custom Zinc Diecasting Limited	Canada	Common Shrs of no Par Value	100
Dominion Aluminum Fabricating Limited	Canada	Common Shrs of no Par Value	80
Dominion Bronze Limited	Canada	Common Shrs of no Par Value	100
Eastland Metals Ltd.	Canada	Common Shrs of no Par Value 6% Non Cum. Red. Pref. Shrs of \$C1	100 100
Fabricated Steel Products (Windsor) Limited	Canada	Common Shrs of no Par Value	80
Fairmont Plating (Alta) Ltd.	Canada	Common Shrs of no Par Value 6% Non Cum. Red. Pref. Shrs of \$C1	80 80

Fairmont Plating (Man) Ltd.	Canada	Common Shrs of no Par Value 5% Non Cum. Non Voting Red. Pref. Shrs of \$C1	100 100
Fashion Grilles Limited	Canada	Common Shrs of no Par Value	100
Custom Rollforming Company Limited	Canada	Common Shrs of no Par Value & Non Cum. Non Voting Red. 1st Pref. Shrs of \$C1 & 6% Non Cum. 2nd Pref. Shrs of \$C1	90 100 100
Hialco Manufacturing Ltd.	Canada	"A" Voting Common Shrs & "B" Non voting Common Shrs	100 100
Westland Metals Ltd.	Canada	Shrs of \$C1	100
Westland Metals (1962) Ltd.	Canada	Shrs of No par Value	100
Hialco Sales Ltd.	Canada	"A" Ord. Shrs of No Par Value "B" & "C" Red. Shrs of No Par Value	100 100
Indal Products Limited	Canada	Common Shrs of No Par Value	100
Indalex Limited	Canada	Common Shrs of \$C1	100
Lite Metal (Products) Limited	Canada	Common Shrs of No Par Value	100
McKnight Window Industries Limited	Canada	Common Shrs of No Par Value	60
Metalcraft (1963) Limited	Canada	Common Shrs of \$C1	100
North American Die Casting Corp.	U.S.A.	Common Shrs of \$U.S.10	70
RAM Partitions Limited	Canada	Common Shrs of No Par Value	100
Rebmec Industries Limited	Canada	Common Shrs of No Par Value	100
Rio Indal, Inc.	U.S.A.	Common Shrs of No Par Value	75
Sonner Products Limited	Canada	Common Shrs of No Par Value	100
T-C Holdings Limited	Canada	"A" Voting Shrs of \$C1	100

1	2	3	5
Tempglass Limited	Canada	Common Shrs of No Par Value	85
Therma-Tru Limited	Canada	Common Shrs of No Par Value	56.25
Wesdale Industries Limited	Canada	Common Shrs of \$C1	100
R.T.Z. Pillar Europe Limited	England	Ord. Shrs of £1	100
Eclipse Development Company Limited	England	Ord. Shrs of 50p	100
Pillar Europe S.A.	Luxembourg	Shrs of HFL10	100
Pillar Europe (Finance) N.V.	Netherlands Antilles	Shrs of HFL 1,000	100
Pillar Europe Manufacturing N.V.	Netherlands	Shrs of HFL 250	87
Elmaduc S.A.	France	Shrs of F.100	80
Pelari A.B.	Sweden	Shrs of SKR 100	100
Pillar S.A.	Switzerland	Shrs of SF.1,000	100
Pillar Portuguesa (Alumino), Portalex, LDA	Portugal	Issued Capital of ESC 16,000,000	75
R.T.Z. Pillar Deutschland Holding G.m.b.H.	W. Germany	Issued Capital of DM.8,000,000	94.9
Indalpress Aluminium Profil G.m.b.H.	W. Germany	Issued Capital of DM. 3,000,000	100
Indalpress Aluminium Vertriebs G.m.b.H.	W. Germany	Issued Capital of DM. 500,000	100
Pillar Berlin Aluminium Produkt G.m.b.H.	W. Berlin	Issued Capital of DM. 4,000,000	100
Pillar Brake Aluminium G.m.b.H.	W. Germany	Issued Capital of DM. 3,000,000	100
Skandinaviska Aluminium Profiler AB	Sweden	Shrs of SKR 100	77.5
Aluminiumfasader A.B.	Sweden	Shrs of SKR 100	100
S.A. Eriksson-Metaller A.B.	Sweden	Shrs of SKR 100	100
Hogstad Aluminium A.B.	Sweden	Shrs of SKR 100	49
Nordalex A.B.	Sweden	Shrs of SKR 50	100
SAPA Aluminium Profile A.G.	Switzerland	Shrs of SF 1,000	100
Scandex Aluminium N.V.	Netherlands	Shrs of HFL. 1,000	50
Scandinavian Aluminium Profiles AB Limited	England	Shrs of £1	100
Skandinavisk Aluminium Profiler Sapa A.S.	Denmark	Shrs of D.KR 10,000 Shrs of D.KR 1,000 Shrs of D.KR 500	100 100 100

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1
Pillar Europe Profil N.V.

2
Netherlands Shrs of HFL 1,000 100

Indal (France) S.A.

3
France Shrs of F.170 100



1	2	3	5
Arteria S.A.	Luxembourg	"A" Pref. Shrs. "A" Founder Shrs. Redeemable Shrs. ("B" Founder and "B" Pref. Shrs. held by Comzinc Riotinto of Australia Limited)	100 100 100 100
P.T. Riotinto Bethlehem Indonesia	Indonesia	Shrs. of US\$100	55
Riotinto Bethlehem Sabah Sdn. Berhad	Malaysia	Shrs. of M\$1	55
Barbican Corporation of America	U.S.A.	Common Shrs. of US\$1	100
Barbican Corporation of Canada	U.S.A.	Shrs. of US\$100	100
Farnsfield Limited	Bahamas	"A" Voting Shrs. of B\$2.86	33.3
Rio Holdings S.A.	Luxembourg	Founders Shrs. (No consideration) Pref. Shrs. of SF100	100 100
Empresa de Mineracao Antonina Limitada	Brazil	Shrs. of Cr\$10	100
Empresa de Mineçacao Celtica Limitada	Brazil	Shrs. of Cr\$10	100
Empresa de Mineracao Escocesa Limitada	Brazil	Shrs. of Cr\$10	100
Empresa de Mineracao Fineza Limitada	Brazil	Shrs. of Cr\$10	100
Empresa de Mineracao Galea Limitada	Brazil	Shrs. of Cr\$10	100
Empresa de Mineracao Miltonia Limitada	Brazil	Shrs. of Cr\$10	100
Empresa de Mineracao Progressiva Limitada	Brazil	Shrs. of Cr\$10	100
Empresa de Mineracao Rio Minas Limitada	Brazil	Shrs. of Cr\$10	100
Empresa de Mineracao Silvicola Limitada	Brazil	Shrs. of Cr\$10	100
Empresa de Mineracao Troya Limitada	Brazil	Shrs. of Cr\$10	100
Empresa de Mineracao Verulam Limitada	Brazil	Shrs. of Cr\$10	100
Mineracao Bambui Limitada	Brazil	Shrs. of Cr\$10	100
Mineracao Nhambu Limitada	Brazil	Shrs. of Cr\$10	100
Mineraco Olinda Limitada	Brazil	Shrs. of Cr\$10	100
Mineracao Vera Cruz Limitada	Brazil	Shrs. of Cr\$10	100
Mineracao Zarzuela Limitada	Brazil	Shrs. of Cr\$10	100
Rio Holdings N.V.	The Netherlands	Shrs. of Fl.1,000	100
Mineraria Rio Tinto S.p.A.	Italy	Shrs. of 10,000 lire	100
Rio Tinto-Zinc de Argentina S.A.	Argentina	Shrs. of \$1	100

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1	2	3	5
Rio Tinto-Zinc do Brasil Limitada	Brazil	Shrs. of Cr\$1	100
Rio Tinto Holdings Limited	South Africa	Shrs. of R2	52.5
Rio Tinto Management Services South Africa (Pty.) Limited	South Africa	Shrs. of R2	100
Rio Tinto South Africa Limited	South Africa	Shrs. of R1	65.49
Highveld Mineral Ventures (Pty.) Limited	South Africa	Shrs. of R1	100
G.P. Louw (Proprietary) Limited	S.W. Africa	Shrs. of R2	90
Palabora Holdings Limited	South Africa	Shrs. of R1	57.7
Palabora Mining Company Limited	South Africa	Shrs. of R1	61.41
American Vermiculite Corporation	U.S.A.	Common Shrs.	100
Game Estates (Proprietary) Limited	South Africa	Shrs. of R1	100
Mandoval Limited	England	Ord. Shrs. of £1	100
Mandoval Vermiculite (Pty.) Limited	South Africa	Shrs. of R1	100
Rio Tinto Air Services (Pty.) Limited	South Africa	Shrs. of R2	100
Rio Tinto Exploration (Proprietary) Limited	South Africa	Shrs. of R1	100
Rössing Holding Company Limited	South Africa	Shrs. of R1	100
Rössing Uranium Limited	South Africa	"B" Shrs. of 10c	36.8
Swahold Limited	South Africa	Shrs. of R1	100
R.T.Z. Deep Sea Mining Enterprises Limited	England	Ord. Shrs. of £1	100
R.T.Z. Holdings (Malaysia) Sdn. Berhad	Malaysia	Ord. Shrs. of M\$1	100
Conzinc Riotinto Malaysia Sdn. Berhad	Malaysia	Ord. Shrs. of M\$1	75
R.T.Z. Investments Limited	England	Ord. Shrs. of £1	100
The Barrier Corporation Limited	England	Ord. Shrs. of £1	100
British Potash Development Co. Limited	England	Ord. Shrs. of £1	10.5
Exven Limited	England	Ord. Shrs. of £1	30
Japan Ore Center Company Limited	Japan	Shrs. of 500 yen	49

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1	2	3	5
Mineral Investigations Limited	England	Ord. Shrs. of £1	100
Minven Minerals Limited	England	Ord. Shrs. of £1	70
Newtree Investments Limited	Canada	Ord. Shrs. of \$C1	100
Rio Tinto Delaware Inc.	U.S.A.	Shrs. of no par value	100
Rio Tinto Holdings Limited	South Africa	Shrs. of R2	47.5
Union Explosives Rio Tinto S.A.	Spain	Shrs. of Ptas.500	4.1
Rio Tinto Patino S.A.	Spain	Shrs. of Ptas.1,000 (R.T.Z. Investments Ltd. also holds 5% direct)	55
Yorkshire Potash Limited	England	Ord. Shrs. of £1	100
Yorkshire Potash Exploration Limited	England	Ord. Shrs. of £1	100
Sphere Investments Limited	Bahamas	Shrs. of B\$2.86	100
Macdol Holdings Limited	Canada	Common Shrs. of no par value	100
Ore Sorters (Canada) Limited	Canada	Common Shrs. of no par value	100
Ore Sorters (Africa) (Proprietary) Limited	South Africa	Shrs. of R2	100
Middleton and Anderson (Proprietary) Limited	South Africa	Shrs. of R2	100
Photometric Sorters (Pty.) Limited	South Africa	Shrs. of R1	66.7
Ore Sorters (Australia) Pty. Limited	Australia	Shrs. of A50c	100
Sphere Investments (Southern) Limited	Bahamas	Shrs. of B\$2.86	100
Mineral Finance S.A.	Switzerland	Ord. Shrs of S.F.1,000	100
Rio Tinto-Zinc Finance N.V.	Netherlands Antilles	Ord. Shrs of US\$1,000	100

R.T.Z. SALES LIMITED 31.12.73.

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1	2	3	5
Conzinc Sales Limited	England	Ord. Shrs. of £1	100
The Pyrites Company Limited	England	Ord. Shrs. of £1	100
Pyrites et Minerais S.A.	France	Shrs. of NF10	100
Cassamet S.A.	Switzerland	Bearer Shrs. of SFr,000	100

R.T.Z. SERVICES LIMITED 31.12.73.

1	2	3	4	5
Central Registration Limited	England	Ord. Shrs. of £1		100
The Consolidated Zinc Company Limited	England	Ord. Shrs. of £1		100
(a) The Delaville Spelter Company Limited	England	Ord. Shrs. of £1		100
Oceanbridge Limited	England	Ord. Shrs. of £1		100
The Rio Tinto Company Limited	England	Ord. Shrs. of £1		100
Rio Tinto-Zinc (Japan) Limited	Japan	Shrs. of 500 yen		30
Riofinex Limited	England	Ord. Shrs. of £1		100
Severnside Trading Estate Company Limited	England	Ord. Shrs. of £1		100

THE RIO TINTO -- ZINC CORPORATION LIMITED

LIST OF MEMBERS AT 3RD. JUNE, 1974

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CLASS OF SHARES

"A" = 3.325% "A" CUMULATIVE PREFERENCE SHARES OF £1 EACH.

"B" = 3.5% "B" CUMULATIVE PREFERENCE SHARES OF £1 EACH.

"F" = ACCUMULATING ORDINARY SHARES OF 25P EACH.

"O" = ORDINARY SHARES OF 25P EACH.

Annual Report and Accounts 1973

The Rio Tinto-Zinc Corporation Limited Annual Report and Accounts 1973

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Annual reports of other companies

Copies of the published reports and accounts for 1973 of the following companies may be obtained upon request from the secretary of RTZ, PO Box 133, 6 St James's Square, London SW1Y 4LD

Australian Mining & Smelting Limited
Bainville Copper Limited
Brinco Limited
Comalco Limited
Conzinc Riotinto of Australia Limited
Hamersley Holdings Limited
Indal Canada Limited
Lornex Mining Corporation Ltd
Palabora Mining Company Limited
Rio Algom Mines Limited

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Directors

Sir Val Duncan OBE
Chairman and Chief Executive

Roy W Wright CBE
Deputy Chairman and Deputy Chief Executive

Sir Mark Turner
Deputy Chairman

R J L Altham
R D Armstrong
The Hon R J Assheton
The Hon E L Baillieu
R H Carnegie
Gerald Coke CBE
D R Colville
A G Davies
L A Devaux
F F Espie OBE
A G Frame
Sir Basil Goulding, Bart
S Harris
E S W Hunt
K F Lane
M Littman QC
Captain J R B Longden OBE
R T Madigan OBE
W D Mulholland
J A Paterson
Baron Guy de Rothschild
The Rt Hon Lord Shackleton PC OBE
S Spiro
N J Travis

Secretary

P H Dean

Head office

6 St James's Square, London SW1Y 4LD

Transfer offices

1 Redcliff Street, Bristol BS1 6NT
95 Collins Street, Melbourne 3001

Salient features

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	£ millions 1973	£ millions 1972
Group sales revenue	933.2	588.0
Group operating profit	237.5	102.4
Tax on profit for the year (Note 1)	58.4	35.2
Group profit after tax	166.4	60.8
Net profit attributable to RTZ shareholders, before extraordinary items	69.6	29.5
Earnings per ordinary share (Note 2)	31.44p	13.23p
Dividends per ordinary share — 49p 1972 5p (Note 3)		
— Paid to shareholders	8.6	9.3
— 1972 tax on interim dividend of 2p	—	1.7
	8.6	11.0
Profit retained, before extraordinary items	60.6	18.0
Total RTZ shareholders' funds	447.4	339.6
Total capital employed	1,254.0	1,012.9
Expenditure on fixed assets during the year	73.1	87.2
Depreciation	60.0	39.1

Notes

1 Included in the tax on profit for the year is a net amount for United Kingdom corporation tax of £8.4 million based on the 50 per cent rate. The 1974 Budget increased this rate to 52 per cent and it is estimated that the amount of United Kingdom corporation tax for 1973 will be increased by £0.4 million.

2 Earnings per ordinary share are calculated on the weighted average number of ordinary and accumulating ordinary shares in issue during the year.

3 The interim and final ordinary dividends for 1973 are paid under the imputation tax system and are not subject to deduction of income tax. After adding the imputed tax credit available to U.K. shareholders, the total dividend for 1973 is equivalent to a gross dividend of 6.6p per share compared with 6.29p per share for 1972. No amount is included for the further issue of accumulating ordinary shares due to be allotted to holders of accumulating ordinary shares in lieu of dividend. These will be capitalised from share premium account.

Notice of meeting

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Notice is hereby given that the twelfth annual general meeting of The Rio Tinto-Zinc Corporation Limited will be held at the Commonwealth Hall, The Royal Commonwealth Society, 16-20 Craven Street, London WC2 on Monday, 20 May 1974 at 11.30am for the following purposes:

1 To consider the Company's accounts and the reports of the directors and auditors for the year ended 31 December 1973.

2 To declare a dividend on the ordinary shares.

3 To elect directors.

4 To consider and, if thought fit, pass the following resolution which will be proposed as an ordinary resolution, namely:

'That the directors be authorised to issue or agree to issue for cash, without the same being offered to the ordinary shareholders, ordinary shares of the Company or foreign currency securities convertible into ordinary shares of the Company or conferring options or carrying warrants to subscribe for ordinary shares of the Company subject to the following limitations:

(i) The aggregate nominal value of the ordinary shares so issued or agreed to be issued or liable to be issued on the exercise of conversion rights or options granted in relation to foreign currency securities so issued or agreed to be issued shall not (disregarding any future adjustments of such conversion rights or options) exceed 5 per cent of the aggregate nominal value of the ordinary and accumulating ordinary shares of the Company at present in issue; and

(ii) the authority hereby conferred shall cease to have effect on the date of the annual general meeting in 1975 unless then renewed'.

A member entitled to attend and vote at the meeting is entitled to appoint a proxy, who need not also be a member, to attend and, on a poll, vote instead of him. The instrument appointing a proxy, together with any power of attorney under which it is signed, should reach either of the transfer offices of the Company, at the addresses shown on page 2, not less than 48 hours before the time appointed for holding the meeting.

By order of the board
P H Dean
Secretary

6 St James's Square
London SW1Y 4LD
25 April 1974

Notes

1 Only holders of the ordinary or accumulating ordinary shares or of the cumulative preference shares are entitled to attend and vote at the meeting.

2 A holder of a share warrant to bearer, who desires either to attend the meeting or to appoint a proxy to attend and, on a poll, vote instead of him, will receive a ticket of admission on depositing at the Company's transfer office at 1 Redcliff Street, Bristol BS1 6NT, at least 48 hours before the meeting, a written request for the issue of the ticket (and, if desired, a form of proxy) together with a certificate signed by an Authorised Depositary* stating that the share warrant is in the custody of the Authorised Depositary and will be retained in such custody until after the close of the meeting. If the form of proxy is to be used, it must be completed and returned to the transfer office so as to be received at least 48 hours before the meeting.

*Authorised Depositaries are listed in the current issue of the Bank of England's Notice EC1, and include Banks and Stockbrokers in, and Solicitors practising in, the United Kingdom or the Channel Islands.

3 There are no contracts of service whereunder directors of the Company are employed by the Company or any of its subsidiaries at the date of this notice other than contracts expiring, or determinable by the employing company without payment of compensation, within one year.

Report of the Directors

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The directors submit their twelfth annual report and the audited accounts for the year ended 31 December 1973.

Activities

The Rio Tinto-Zinc Corporation Limited (RTZ) and its subsidiary companies — the Group — is a British-based international group of mining and industrial companies with interests in almost every major metal and fuel.

The Group has continued to develop its activities in aluminium and its products, borax, coal, copper, industrial and agricultural chemicals, iron ore, lead, specialty steels, tin smelting, uranium and zinc.

RTZ's activities throughout the world are performed by organisations varying in size and degree of development. It has geological exploration teams in countries where no established operations yet exist and on the other hand it is a shareholder in major corporations with their own national managements and local participation.

Where appropriate, RTZ's London headquarters co-ordinate the Group's activities and also provide services such as consultancy, insurance, legal, planning, secretarial and taxation. The parent organisation in London plays a major part in the raising of large-scale finance required for the operations throughout the world.

Details of the principal subsidiary and associated companies of RTZ are shown on pages 44 and 45.

Year's results

Details of the Group's financial results for 1973 are set out on page 12 of the report. The main feature of 1973 was the significant increase in market prices for nearly all metals in which the Group trades. This was combined with a further fall during the year in the value of sterling against the principal currencies in which the Group's earnings are realised.

The London Metal Exchange prices quoted in sterling form the pricing basis for a large proportion of the Group's products although the reduced value of sterling meant that the higher London Metal Exchange prices were not fully reflected in overseas currencies. Nevertheless the increase to £727 in the average copper price on the London Metal Exchange for 1973 from £428 in 1972 was the most important single factor affecting the Group's results for the year as described in the following paragraphs.

The principal exchange rate variations as far as the Group was concerned were those for the Australian and South African currencies. In each case the decrease in value of the pound sterling was around 15 per cent, the greater part of this occurring during the last few months of the year. Year-end exchange rates to the pound for the United States and Canadian dollars showed only minor changes from the rates at the end of 1972 though during the year there had been substantial upward and downward fluctuations.

The Australian dollar increased further in value against the United States dollar and this had an adverse effect on Hamersley Iron's earnings as its sales contracts are largely based on US dollars. This loss of revenue was to some extent offset by the profit made on repayments of US dollar borrowings. Bougainville Copper also realised significant exchange gains on US dollar loan repayments.

Group sales revenue

Sales for 1973 were £933.2 million, an increase of £345.2 million over 1972. Sales by the CRA Group were £161 million higher than the previous year and accounted for nearly half of the total increase in Group sales revenue.

The increase in CRA's sales £107 million was attributable to Bougainville Copper whose sales in the first full year of trading benefited from the high copper and gold prices. The average price for gold in 1973 was US\$97 per ounce compared with US\$58 per ounce during 1972.

Hamersley increased its sales by £23 million to £106 million mainly due to higher sales volume with a full year's operation of the Paraburdoo complex. A price increase was negotiated on the Japanese contracts early in the year and this partly offset the reduction in realised price to Hamersley Iron which had arisen as a consequence of the revaluation of the Australian dollar.

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The lead and zinc operations of Australian Mining and Smelting achieved an increase of £26 million in sales revenue due principally to higher metal prices.

Sales by Rio Algom were £137 million compared with £80 million in 1972, an increase of £57 million. Lornex has been accounted for as a subsidiary for the whole of 1973 following conversion in December 1973 of the class A shares into common shares. In 1972 it was treated as an associated company on an equity accounting basis. Sales by Lornex in 1973 amounting to £35 million are therefore included for the first time. Rio Algom's steel division achieved higher sales mainly as a result of volume and price increases.

Palabora increased its sales by £30 million to £79 million due to higher copper prices, although sales volume was marginally lower.

Sales by RTZ Borax at £88 million were £12 million higher than in 1972.

Sales by RTZ Europe were significantly higher at £216 million, an increase of £69 million over 1972. This was largely due to higher sales volume achieved by the RTZ Pillar group of companies. Higher tin prices were mainly responsible for the increase of £10 million in sales by Capper Pass.

Trading in primary aluminium increased by £15 million as a result of increased volume together with generally higher aluminium prices.

Group profit before tax

The increase of £128.8 million to £224.8 million in the Group profit before tax was mainly due to the effect of the increased copper price compared with 1972 to which reference has already been made.

Bougainville's contribution from a full year's trading which included the benefit of the higher gold price was £93 million, an increase of £78 million compared with 1972 when there was only nine months' trading. Lornex's copper mine in Canada contributed £16 million from twelve months' operation whereas in 1972 the company incurred a small loss from its first three months' operation. Rio Algom's copper operation at Poirier also increased its profit due to the higher metal prices. The Group's copper mine at Palabora increased its profit in 1973 by £21 million to £43 million.

In addition to the improvement in profit due to the higher copper prices, substantial profit increases have also been achieved by other operations throughout the Group.

CRA's Australian Mining and Smelting subsidiary increased its profit due to the higher lead and zinc prices and an improved performance by the Avonmouth smelter, but these were offset by the lower Hamersley profit which was affected by the further revaluation of the Australian dollar during 1973.

The steel division of Rio Algom increased its profit over 1973 due to the higher sales volume and better pricing structure which has now been established in North America and improved operating efficiencies.

RTZ Borax and the companies now comprising RTZ Europe achieved significant improvements in their profit.

Anglesey Aluminium's operations were affected by labour and production problems during the middle of 1973 and the consequent reduction in metal output resulted in a loss for the company of £8.3 million. RTZ's share amounting to £3.9 million is deducted in arriving at its share of profits of associated companies.

Tax

The charge for tax was £58.4 million in 1973, an increase of £23.2 million compared with 1972. The percentage increase was proportionately lower than that for pre-tax profit as a major part of the profit increase was in subsidiaries which were in the first full year of operation and therefore still within temporary tax concession periods. Elsewhere the tax charge increased in proportion with the higher level of pre-tax profit. No immediate tax relief is available on the losses of Anglesey Aluminium.

Tax payable on 1973 profit earned by the Group in the United Kingdom will be sufficient to absorb the Advance Corporation Tax on dividends paid during the year.

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Profit attributable to outside shareholders

The beneficial interest of outside shareholders in the Group's copper operations is greater than 50 per cent. As the main part of the increase in Group profit arose in these operations, the amount attributable to outside shareholders was significantly higher than the amount attributable to RTZ shareholders.

After-tax profit attributable to RTZ shareholders

The net profit for 1973 at £69.6 million was £40.1 million higher than 1972 which was the previous record year of the Group. Earnings per ordinary share for 1973 were 31.44p compared with 13.23p in 1972, in each case expressed after deducting the dividend on preference shares. For the purpose of calculating earnings, shares include ordinary and accumulating ordinary shares.

Although the effect of inflation has reduced the value of today's pound sterling compared with earlier years, the earnings per share achieved by the Group in 1973 were approximately twice as high as 1967 which is the previous best year if the figures for earlier years are re-stated in present-day money terms.

Extraordinary items

The main item included in the net extraordinary credit of £24.3 million for 1973 is an exchange gain of £16.4 million arising on conversion at the lower sterling exchange rate of prior years' profits retained overseas. Gains were also realised on repayments of United States dollar loans by Australian subsidiaries. A profit was made on disposal during the year of part of the Group's holding in Unión Explosivos Rio Tinto SA.

Dividends

An interim dividend of 1.62p per share was paid on 3 January 1974 on 191,546,060 ordinary shares. On the same date a dividend of 0.1p per share was paid on 28,782,162 accumulating ordinary shares, on which a further 202,598 accumulating ordinary shares were allotted in lieu of dividend. The directors will recommend for the approval of the shareholders at the annual general meeting to be held on 20 May 1974, the payment of a final ordinary dividend of 2.87p per share on 1 July 1974, to holders on the London and Melbourne registers at the close of business on 20 May 1974, and to holders of share warrants to bearer representing ordinary shares on or after 1 July 1974 after presentation of coupon no 26.

The directors have declared a dividend of 1.6625p per share on the 3.325 per cent 'A' cumulative preference shares of RTZ, and a dividend of 1.75p per share on the 3.5 per cent 'B' cumulative preference shares of RTZ, both in respect of the half-year to 30 June 1974. These dividends will be paid on 1 July 1974 to holders on the London and Melbourne registers at the close of business on 20 May 1974, and to holders of share warrants to bearer representing 'B' cumulative preference shares on or after 1 July 1974 after presentation of coupon no 24.

In the case of holders of ordinary shares and of 'A' cumulative preference shares on the Melbourne register, payment of the foregoing dividends will be made in Australian currency. The directors have resolved that the currency conversion date for the said dividends shall be 3 June 1974.

The dividends on the ordinary and preference shares will be paid without deduction of income tax and will carry a tax credit. This credit will be available principally to United Kingdom resident shareholders and also to shareholders resident in certain other countries under double taxation agreements. The total ordinary dividends payable for 1973 after adding the tax credits available will be equivalent to a gross dividend of 6.6p per share, compared with 6.29p per share for 1972, which is the maximum amount permissible under the Government's current dividend restriction legislation.

Accumulating ordinary shares

Subject to the approval of shareholders at the annual general meeting of the payment of the recommended final dividend on the ordinary shares, holders of accumulating ordinary shares will receive on 1 July 1974 a further allotment of accumulating ordinary shares, credited as fully paid, calculated by the following formula:

$$\frac{A \times B}{C}$$

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where A equals the number of accumulating ordinary shares held at 20 May 1974 B equals the amount of the dividend on one ordinary share, ie 2.87p and C equals the average Stock Exchange middle market quotation of the ordinary shares for the five days preceding 9 April 1974 (the date of the announcement of the recommended final dividend) less the amount of the dividend, ie 196.13p.

Thus the entitlement to further accumulating ordinary shares will be on the basis of 0.014633 of a new share for every share held at 20 May 1974. Fractions of less than one-half of a share will be eliminated. Fractions of one-half or more will be rounded up to one whole share.

Under current legislation, there is no liability to United Kingdom income tax on allotments of additional accumulating ordinary shares. For United Kingdom capital gains tax purposes, however, such shares will rank as an addition at nil consideration to an existing holding, thus averaging the tax base over the new total holding. In general the tax base is the cost of the holding adjusted where appropriate to the value at 6 April 1965 in the case of shares held on that date.

Assets

The fixed assets of the Group comprise mainly mining properties, smelters and other industrial plants, land, buildings and leases. The book value of fixed assets was £855.5 million at the close of the year compared with £700.8 million as at the end of 1972. The net increase is primarily due to new project expenditure by Hamersley and Australian Mining & Smelting, the inclusion of the fixed assets of Lornex upon it becoming a Group subsidiary, and to adjustment on currency conversion of overseas fixed assets.

The consolidation of Lornex is the main factor contributing to the increase in pre-production and other expenditure to £37.1 million at 31 December 1973 compared with £22.3 million last year.

The reduction to £93.3 million in investments in associated companies compared with £103.6 million at the end of 1972 is mainly due to Lornev ceasing to be an associate.

Details of the changes which have taken place in the Group's assets during the year are given on pages 21 to 24.

Value of land

The Group's interest in land consists mainly of leases and other rights which permit the working of such land and the erection of buildings and equipment thereon for the purpose of extracting and treating minerals. It is not possible to evaluate such land because the value depends on metal prices over the next twenty years or so which will vary with market conditions. The Group also holds other land mainly for industrial purposes which, apart from the development land at Avonmouth, which was revalued in 1971, could not be evaluated without unwarranted expense.

Statutory and other information

The f.o.b. value of Group exports from the United Kingdom in 1973 was £32.7 million. The value of the net benefit to the United Kingdom balance of payments from mineral processing by the Group in the United Kingdom during 1973 is estimated at £19.3 million.

Donations made by the Group during 1973 for charitable purposes in the United Kingdom amounted to £52,000. This included donations made for educational and scientific purposes.

No donations were made in the United Kingdom by the Group during 1973 for political purposes as defined by the Companies Act 1967.

The average number of persons employed in the United Kingdom by Group companies each week during 1973 was 11,643 and their aggregate remuneration for the year, including bonuses, amounted to £23.3 million.

The interests of the directors and their families in shares and debentures of Group companies are shown on pages 46 and 47. So far as is known no shareholder, corporate or individual, has any beneficial interest exceeding 10 per cent of the share capital of RTZ.

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No director had a material interest in any contract which was significant in relation to the Group's business.

Share capital

Authorised share capital

The authorised share capital, whilst remaining at £75,000,000, was reorganised during the year, as detailed below.

Ordinary share capital

At 1 January 1973, 219,494,818 ordinary shares of 25p each had been issued. As a result of the issue of a further 833,404 shares during the period 1 January 1973 to 24 October 1973, details of which are given below, the issued ordinary share capital as at the latter date amounted to 220,328,222 shares of 25p each.

The holders of the ordinary shares in the capital of RTZ were given the right to convert, as at 24 October 1973, all or any of their ordinary shares of 25p each into a new and separate class of share designated as accumulating ordinary shares of 25p each.

At the close of this initial conversion period, the issued ordinary share capital comprised 191,546,060 ordinary shares and 28,782,162 accumulating ordinary shares. The remaining unissued ordinary shares were converted into and redesignated as unclassified shares of 25p.

By the issue of 515 additional ordinary shares after 24 October 1973, the issued ordinary share capital at 31 December 1973 consisted of 191,546,575 ordinary shares of 25p each and 28,782,162 accumulating ordinary shares of 25p each.

Company acquisitions

703,628 ordinary shares of 25p each, credited as fully-paid, were issued as further consideration under an agreement by which RTZ Pillar had previously acquired the issued share capital of one of its subsidiaries.

Conversion of employees loan stock

The 6% employees convertible unsecured loan stock 1963/80 carries the right of conversion into ordinary shares of RTZ at varying rates based on the market value at the time of issue of the stock. During the year, £31,750 of stock was tendered and 14,681 ordinary shares of 25p each were issued in exchange.

Share Options

Options over ordinary shares were granted to certain executive directors and senior executives of RTZ in 1965 and 1966. The options, which may be exercised prior to 12 January 1975, were granted at levels related to the then current market prices and, following the sub-division of the ordinary shares in 1970, these prices became 70p and 93p respectively per 25p share.

In addition certain directors and senior executives of RTZ Pillar (formerly Pillar Limited) were granted options over RTZ ordinary shares to replace options which they had previously held over shares of Pillar. These options are exercisable at various dates up to 7 September 1976 at prices from 149p to 204p per share.

During 1973, options were exercised over a total of 115,610 ordinary shares of 25p each, as follows:

No. of shares	Option price
67,200	70p
41,785	93p
1,875	149p
4,750	158p

Further issues

Apart from any issues pursuant to existing options and conversion rights and the allotment of accumulating ordinary shares in lieu of dividend to holders of the accumulating ordinary shares and, save as mentioned below, the directors have no present plans for any issue of ordinary or accumulating ordinary shares of RTZ.

During 1973, the ordinary shares of RTZ were listed on stock exchanges in Western Germany and Switzerland. Should the directors wish to consider further listings on

other overseas stock exchanges, it may be necessary or desirable to issue additional ordinary shares in the relevant territories. It may also be desirable to raise foreign currency by the issue of foreign currency securities convertible into ordinary shares or linked with options to subscribe for ordinary shares.

A resolution will therefore be proposed at the annual general meeting to continue the authority given to the directors last year to make, within a specified limit, issues for cash of ordinary shares or securities convertible into (or conferring or issued with options to subscribe) ordinary shares, without the same first being offered to existing holders of those shares.

The maximum number of ordinary shares involved will be limited to approximately eleven million (5 per cent of the total number of ordinary and accumulating ordinary shares in issue at the date of the passing of the resolution). Where subscription or conversion rights are involved, the subscription price or effective conversion price would be likely to be in excess of the middle-market value of the ordinary shares involved at the time when the terms of issue are fixed, while, in the case of issues of ordinary shares for cash, a small discount on the appropriate middle-market value may be anticipated.

Preference share capital

During 1973, consequent upon the provisions of the Finance Act 1972, the 4 $\frac{1}{2}$ per cent 'A' cumulative preference shares of £1 each were redesignated as 3.325 per cent 'A' cumulative preference shares of £1 each, and the 5 per cent 'B' cumulative preference shares of £1 each were redesignated as 3.5 per cent 'B' cumulative preference shares of £1 each. There was no change in the amount of the issued preference share capital during the year.

Loan capital

6 $\frac{1}{2}$ % unsecured loan stock 1985/90

During the year £536,000 of loan stock was purchased for cancellation by RTZ at a discount which has been transferred to capital reserve.

6% employees convertible unsecured loan stock 1962/80

During 1973, in accordance with the terms of issue, £4,425 of the 6 per cent employees convertible unsecured loan stock (on which £4,000 had been paid up) was redeemed. As previously stated, £31,750 of stock was converted into ordinary shares. At 31 December 1973, £123,225 of stock, paid up to a total of £118,883 was in issue, and, if fully converted, would require the issue of 57,190 ordinary shares.

Directorate of RTZ

As reported last year, Mr J R Robinson retired on 24 February 1973, Mr D A C Dawdney CBE resigned on 18 July 1973. The Rt Hon Lord Byers PC OBE resigned on 31 August 1973 and Mr D Fredjohn resigned on 26 September 1973.

Mr A G Frame was appointed a director on 19 September 1973. In accordance with the articles of association, Mr Frame retires and, being eligible, offers himself for re-election.

In addition, Mr R J L Altham, Mr R D Armstrong, The Hon R J Assheton, Mr R H Carnegie, Mr J A Paterson, Mr S Spiro and Mr N J Travis retire by rotation and, being eligible, offer themselves for re-election.

Auditors

Coopers & Lybrand and Spicer and Pegler have indicated their willingness to continue in office as joint auditors of RTZ.

Income and Corporation Taxes Act 1970

The close company provisions of the Income and Corporation Taxes Act 1970 do not apply to RTZ.

By order of the board

P H Dean

Secretary

9 April 1974

RTZ Group profit and loss account for year ended
31 December 1973

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	£ millions 1973	£ millions 1972	Note
Group sales revenue	933.2	683.0	3
Group operating profit	237.5	102.4	4
Share of profits of associated companies	12.8	9.8	5
Dividends and interest receivable	14.3	7.0	6
	264.6	119.2	
Deduct: Interest payable	39.8	23.2	7
Group profit before tax	224.8	96.0	
Deduct: Tax on profit for the year	58.4	35.2	8
Group profit after tax	166.4	60.8	
Deduct: Attributable to outside shareholders	96.8	31.3	
Net profit attributable to RTZ shareholders before extraordinary items	69.6	29.5	
Earnings per ordinary share	31.44p	13.23p	9
Extraordinary items	24.3	5.7	10
Profit after extraordinary items	93.9	35.2	
Deduct: Profit retained			14
- By subsidiaries	87.5	29.4	
- By associates	0.6	0.7	
	88.1	30.1	
Net profit dealt with in RTZ parent	5.8	5.1	
Dividends receivable by RTZ from subsidiaries' prior year profits	3.5	6.5	14
	9.3	11.6	
Dividends paid and proposed			
Preference	0.4	0.5	11
Ordinary:			
- Interim of 1.62p per share 1972 2p	3.1	4.4	12
- Final of 2.87p per share 1972 3p	5.5	6.6	
	9.0	11.5	
Profit retained in RTZ parent	0.3	0.1	14

RTZ Group balance sheet at 31 December 1973

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	£ millions 1973	£ millions 1972	Note
Share capital and reserves			
Share capital	65.9	65.7	13
Share premium	45.8	44.3	13
Reserves	335.7	229.0	14
RTZ shareholders' funds	447.4	339.6	
Outside shareholders' interest in subsidiaries	313.3	233.5	
Total share capital and reserves	760.7	573.1	
Deferred tax	112.3	66.2	15
Long term indebtedness	381.0	373.6	16
Total funds employed	1,254.0	1,012.9	
Represented by:			
Fixed assets	855.5	700.3	17
Exploration and development	10.8	7.3	18
Pre-production and other expenditure	37.1	22.3	19
Investments in associated companies	93.3	103.6	20
Other investments	25.5	19.1	21
Current assets			
Stocks	168.4	125.6	22
Debtors	210.9	144.9	23
Short term investments and bank balances	191.4	141.5	
	570.7	412.0	
Deduct:			
Current liabilities			
Creditors and provisions	202.2	139.0	24
Short term indebtedness	94.8	87.4	25
Tax	33.1	14.6	
Dividends	8.8	11.2	
	338.9	252.2	
Net current assets	231.8	159.8	
	1,254.0	1,012.9	

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RTZ Parent company balance sheet at 31 December 1973

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	£ millions 1973	£ millions 1972	Note
Share capital and reserves			
Share capital	65.9	65.7	13
Share premium	45.8	44.3	13
Reserves	6.2	5.6	14
Total share capital and reserves	117.9	115.6	
Long term indebtedness			
6½ per cent unsecured loan stock 1985/90	12.3	12.8	
7 per cent unsecured Swiss loan 1974	—	9.0	
6 per cent employees convertible unsecured loan stock 1974/80	0.1	0.1	
	<u>12.4</u>	<u>21.9</u>	
Total funds employed	130.3	137.5	
Represented by :			
Subsidiary companies			
Investments at cost	45.3	28.4	
Investments at valuation	69.9	68.2	
Amounts owing by subsidiary companies, less provisions	28.6	38.5	
	<u>143.8</u>	<u>135.1</u>	
Current assets			
Debtors	6.3	3.0	
Bank balances	11.4	19.6	
	<u>17.7</u>	<u>22.6</u>	
	<u>161.5</u>	<u>157.7</u>	
Deduct :			
Current liabilities			
Creditors and provisions	5.6	6.2	
7 per cent unsecured Swiss loan 1974	10.6	—	
Tax	6.2	2.8	
Dividends	8.8	11.2	
	<u>31.2</u>	<u>20.2</u>	
	<u>130.3</u>	<u>137.5</u>	

Val Duncan

Roy W Wright

Mark Turner

Directors

Notes to the 1973 accounts

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1 Accounting policies

The main Group accounting policies are described in the notes to the accounts under the appropriate balance sheet or profit and loss account reference.

2

Basis of Group accounts

Group accounts are presented in the form of a consolidation of all subsidiary and sub-subsidiary companies except the Group's Rhodesian subsidiaries against which full provision is made. In the case of certain major sub-subsidiary companies the beneficial interest of RTZ is less than 50 per cent.

The Group's share of the results and reserves of principal associated companies is included in the Group accounts. To the extent that there are outside interests in Group subsidiaries holding these investments, a proportion of the results and reserves is attributed to them.

Lornex is accounted for as a subsidiary for the whole of 1973 following conversion in December 1973 of the Group's holding of non-voting class A shares to common shares, representing 5 per cent of the equity share capital. In 1972 it was treated as an associated company on an equity accounting basis.

3

Group sales

These comprise sales to third parties at invoiced amounts which vary between ex works and c.i.f. price depending on contract terms. A major proportion of the Group's products is sold under medium to long term contracts and is included as sales as and when deliveries are made.

4

Group operating profit

£ millions
1973

£ millions
1972

Operating profit of £237.5 million (1972 - £102.4 million)
is arrived at after charging:

Depreciation of fixed assets (Note 17)	60.0	39.1
Exploration and development (Note 18)	10.6	7.6
Pre-production and other expenditure (Note 19)	6.9	4.3
Research	3.9	2.0
Auditors' remuneration (£546,000 1972 £467,000)	0.6	0.5
Emoluments of directors of parent company		
— Directors' fees	0.1	0.1
— Management remuneration	0.6	0.5
— Other emoluments	0.2	0.2
(Total £937,000 1972 £782,000)	0.9	0.8

The emoluments (excluding pension scheme contributions) of the chairman and other directors resident in the United Kingdom are as follows:

The chairman £69,000 1972 £63,000

	Scale of emoluments £	Number of directors 1973	Number of directors 1972
Other directors	1	3	3
	2,501	2	1
	7,501	1	—
	12,501	2	4
	16,001	6	2
	20,001	—	1
	22,501	2	1
	25,001	—	3
	27,501	1	2
	30,001	1	—
	32,501	1	—
	37,501	—	1
	42,501	1	—

Fees waived by 18 directors - £35,000 1972 16 directors - £37,000

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5

Share of profits of associated companies

The Group's share of the profits before tax of associated companies is taken from their audited accounts made up to dates varying from 30 June to 31 December 1973.

Information relating to the Group's interest in associated companies is included on pages 44 and 45.

6

Dividends and interest receivable

	£ millions 1973	£ millions 1972
Dividends from other investments		
Quoted	0.6	0.8
Unquoted	1.0	0.4
	<hr/> 1.6	<hr/> 1.2
Interest receivable, gross	12.7	5.8
	<hr/> 14.3	<hr/> 7.0

Dividends receivable from associated companies accounted for on an equity basis are £5.5 million (1972 £4.0 million) on unquoted investments and nil (1972 £0.6 million) on quoted investments. In the Group profit and loss account these dividends are replaced by the Group's share of profits of these companies (Note 5).

7

Interest payable

	£ millions 1973	£ millions 1972
Interest paid on borrowings by the Group		
Loans not repayable within 5 years	17.7	14.3
Loans repayable within 5 years	3.8	1.7
Bank loans	16.0	15.6
Bank overdrafts	3.2	2.7
Short term borrowings	0.4	0.3
	<hr/> 41.1	<hr/> 34.6
Less: Amount capitalised relating to projects during construction	1.3	11.4
	<hr/> 39.8	<hr/> 23.2

8

Tax on profit for the year

	£ millions 1973	£ millions 1972
RTZ and subsidiaries (including deferred tax Note 15)		
United Kingdom corporation tax at 47.5 per cent (1972 40 per cent)	12.8	4.9
Less: Relief for overseas taxes	4.4	3.8
	<hr/> 8.4	<hr/> 1.1
Overseas taxes	42.8	29.3
	<hr/> 51.2	<hr/> 30.4
Associated companies (Note 5)	7.2	4.8
	<hr/> 58.4	<hr/> 35.2

Tax for the year increased proportionately less than the pre-tax profit as a major part of the increase in Group profit arose in subsidiaries which are within temporary tax concession periods. The tax charge relative to the share of profits of associated companies is proportionately higher as no immediate tax relief is available on the losses of Anglesey Aluminium.

A substantial part of the Group profit arises in overseas companies. United Kingdom tax (less double tax relief) on those profits as charged in the accounts is restricted to the amount paid on distributions to the United Kingdom. No provision is made for tax which would arise if the balance of profits retained overseas were distributed.

United Kingdom corporation tax for the year is calculated at 47.5 per cent derived from the rate at 40 per cent to 31 March 1973 and a provisional rate of 50 per cent thereafter. The 1974 Budget fixed the latter rate at 52 per cent and it is estimated that this higher rate will result in the United Kingdom corporation tax for 1973 being increased by £0.4 million.

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9

Earnings per share

The calculation of earnings per ordinary share is based on net profit attributable to RTZ shareholders of £69.6 million (1972 £29.5 million). Preference dividends of £0.4 million (1972 £0.5 million) are deducted and the net earnings of £69.2 million (1972 £29.0 million) are expressed in relation to the weighted average number of ordinary and accumulating ordinary shares in issue during the year of 220,060,405 (1972 219,186,440).

10

Extraordinary items

The amounts included under extraordinary items, shown after deduction of outside shareholders' interests, are as follows:

	£ millions 1973	£ millions 1972
Exchange gains:		
— On conversion of profit retained overseas	16.4	13.0
— On repayment of long term foreign currency loans, less provision against losses	5.6	(0.8)
Profit on sale of shares in Unión Explosivos		
Rio Tinto SA, less tax	2.3	—
Write down of investments	(1.3)	—
Provision for unfunded liability on RTZ pension fund	—	(5.0)
Development projects written off (Note 18)	—	(1.2)
Surplus provisions no longer required	1.7	1.8
Miscellaneous	(0.3)	(2.1)
	<u>24.3</u>	<u>5.7</u>

11

Preference dividends

	£ millions 1973	£ millions 1972
The dividends for the year were as follows:		
3.325% 'A' cumulative preference shares of £1 each	0.3	0.4
3.5% 'B' cumulative preference shares of £1 each	0.1	0.1
	<u>0.4</u>	<u>0.5</u>

During 1973 the 4.3% 'A' cumulative preference shares were redesignated as 3.325% 'A' cumulative preference shares, and the 5% 'B' cumulative preference shares were redesignated as 3.5% 'B' cumulative preference shares. Dividends for 1973 are paid without deduction of United Kingdom income tax and carry a tax credit for shareholders (1972 dividends are shown gross before deduction of income tax).

12

Ordinary dividends

The dividends for the year are as follows:

	Rate per share	£ millions 1973	Rate per share	£ millions 1972
Interim dividend on 191,546,060 ordinary shares (1972-219,488,305 ordinary shares)	1.62p	3.1	2p	4.4
Final dividend on 191,546,060 ordinary shares (1972-220,326,811 ordinary shares)	2.87p	5.5	3p	6.6
Dividend on 28,782,162 accumulating ordinary shares (1972 Nil)	0.1p	—	—	—
		<u>8.6</u>		<u>11.0</u>

The interim ordinary dividend for 1972 of 2p per share is shown before deduction of United Kingdom income tax. The final dividend for 1972 and the dividends for 1973 are payable under the imputation tax system. The total ordinary dividend for 1973 is equivalent to a gross dividend of 6.60p per share after adding the imputed tax credit available to UK shareholders (1972 - 6.29p per share)

In addition to a dividend of 0.1p per share, holders of accumulating ordinary shares are entitled to further accumulating ordinary shares calculated in accordance with the formula set out in the directors' report - page 7. The accumulating ordinary shares to be issued will be capitalised by transfer from share premium account at the rate of 25p per accumulating ordinary share.

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Share capital and share premium

	£ millions 1973	£ millions 1972
Issued and fully paid		
3.325% 'A' cumulative preference shares of £1 each	7.7	7.7
3.5% 'B' cumulative preference shares of £1 each	3.1	3.1
Ordinary shares of 25p each	47.9	54.9
Accumulating ordinary shares of 25p each	7.2	—
Total issued share capital	<u>65.9</u>	<u>65.7</u>
Unissued		
Ordinary shares of 25p each	—	9.3
Unclassified shares of 25p each	9.1	—
Total authorised share capital	<u>75.0</u>	<u>75.0</u>

833,919 ordinary shares of 25p each were issued during 1973 and the difference of £1.5 million between the issue price and nominal value is credited to share premium account.

Following the introduction in the year of an accumulating share scheme, 28,782,162 ordinary shares were converted on the election of the holders thereof to a like number of accumulating ordinary shares.

At 31 December 1973, 191,546,575 ordinary shares and 28,782,162 accumulating ordinary shares were in issue.

Further details on share capital movements are given in the Directors' report on page 9.

Share options

Outstanding options exercisable over ordinary shares are as follows:

Up to 12 January 1975: 6,222 shares at 70p per share
Up to 7 September 1976: 376 shares at 158p per share, 625 shares at 204p per share
Up to 30 April 1979: 1,741,936 shares at 387p per share

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Reserves

	Capital	£ millions Retained profits
RTZ parent company		
At 1 January 1973. Total £5.6 million	3.0	2.6
Retained profit	—	0.3
Discount on foreign stock purchased for redemption	0.3	—
At 31 December 1973. Total £6.2 million	<u>3.3</u>	<u>2.9</u>

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14 Reserves, continued

	Capital	Retained profits	Exploration and development	£ millions Deferred revenue
The Group				
At 1 January 1973. Total £229.6 million	93.9	118.7	7.3	9.7
Provision for deferred tax not previously charged in Palabora (Note 15)	—	(7.8)	—	—
Exchange gains:				
— On conversion of share capital and capital reserves of overseas subsidiaries	17.7	—	—	—
— On revaluation of long term currency loans	17.7	—	—	—
— Released on repayment of long term currency loans	(7.2)	—	—	—
Relating to change of interests in subsidiary and associated companies	(3.0)	0.1	—	0.2
Transfers between reserves	(1.7)	(1.9)	3.6	—
Other movements	0.5	0.1	—	2.9
Distribution of subsidiaries' reserves	—	(3.5)	—	—
Retained profits:				
— RTZ Parent	—	0.3	—	—
— Subsidiary companies	—	87.5	—	—
— Associated companies	—	0.6	—	—
At 31 December 1973. Total £336.7 million	117.9	194.1	10.9	12.8
RTZ and subsidiaries	110.1	184.9	10.9	6.6
Associated companies (Note 20)	7.8	9.2	—	6.2
	117.9	194.1	10.9	12.8

Substantially all the Group reserves are in overseas subsidiaries. Retained profits include £35.4 million (1972 £36.7 million) which is not at present available for distribution under the terms of the financing arrangements in the companies concerned.

As shown in Note 15 provision has now been made for deferred tax in Palabora, the Group's proportion of which amounting to £7.8 million at 1 January 1973 has been charged against retained profits.

If available overseas reserves were distributed there would be a liability to overseas withholding taxes and UK corporation tax, which would however be reduced by double taxation relief. No provision is made in these accounts for any such additional tax.

Deferred revenue includes investment grant reserve.

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Deferred tax

	£ millions 1973	£ millions 1972
At 1 January 1973	66.2	43.5
Transfer in respect of amount not previously provided in Palabora		
— From retained profits (Note 14)	7.8	—
— From outside shareholders	12.1	—
	19.9	—
Adjustment on currency conversion	14.3	6.8
Relating to subsidiaries acquired in year	—	0.8
Included in charge for tax on profit for the year:		
— United Kingdom Corporation tax	1.8	0.5
— Overseas taxes	9.0	13.1
	10.8	13.6
Included in tax relating to extraordinary items	0.3	1.2
Miscellaneous	0.8	0.3
At 31 December 1973	112.3	66.2

Deferred taxation covers principally the estimated future liability of subsidiary companies resulting from depreciation claimed for tax purposes being in excess of that charged in the accounts.

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Long term indebtedness

Loans, other than bank loans, not repayable within five years

Equivalent in £ millions
1973 1972

Secured

Bougainville Copper	Variable interest loan 1974/79	US\$26.0m	11.2	12.8
Bougainville Copper	6.85% loan 1974/82	US\$18.4m	7.9	9.8
Hammersley Holdings	8-8½% debentures 1978/95	\$A50.0m	32.0	27.1
Hammersley Iron Finance NV	9-9½% debentures 1974/86	US\$36.5m	15.7	16.4
Hammersley Iron Finance NV	6¾% bonds 1978/87	DM100.0m	15.9	13.2
Hammersley Iron Finance NV	8% debentures 1987	US\$25.0m	10.8	10.6
Hammersley Iron Finance NV	6½% notes 1976/79	DFIs60.0m	9.1	7.9
Hammersley Iron Finance NV	6½% notes 1979	SF80.0m	10.6	9.0
Lornex Mining	8¾% notes 1974/80	US\$26.0m	11.2	-
Rio Algom	5½% debentures repayable by 1983	Can\$27.7m	12.0	13.1

Other secured loans, none exceeding £7.5 million in one amount

16.0 9.1

Unsecured

RTZ	6¾% loan stock 1985/90	£12.2m	12.2	12.8
Bougainville Copper	7½-7½% loans 1974/82	\$A19.4m	12.5	11.5
US Borax	6¾% notes repayable 1974/87	US\$23.9m	10.3	10.6
RTZ Finance NV	6¾% bonds 1974/84 with RTZ share warrants	US\$41.8m	18.0	18.3
RTZ Finance NV	6% bonds 1988	SF80.0m	10.6	-

Other unsecured loans, none exceeding £7.5 million in one amount

24.0 21.0

Total (secured £162.4 million
1972 £129.0 million)

240.0 203.2

Loans, other than bank loans, repayable within five years

RTZ	7% Swiss loan notes repayable in 1974	SF80.0m	10.6	9.0
Bougainville Copper	North American equipment loans	US\$55.0m	23.7	23.3

Other, none exceeding £7.5 million in one amount

14.8 14.5

Total (secured £25.4 million
1972 £23.7 million)

49.1 46.8

Bank loans

Bougainville Copper	Commonwealth Savings Bank	\$A12.5m	8.0	6.8
Bougainville Copper	Intermediate term loans	US\$30.0m	12.9	40.9
Bougainville Copper	Commonwealth Trading Bank	US\$67.4m	29.0	28.7
Hammersley Iron	North American banks	US\$26.2m	11.3	18.6
Hammersley Holdings	North American banks	US\$25.1m	10.8	27.7
Hammersley Holdings	Bank of New South Wales	\$A25.0m	16.0	13.6
Lornex Mining	Canadian banks	Can\$33.6m	14.5	-

Other bank loans, none exceeding £7.5 million in one amount

43.2 30.3

Total (secured £112.9 million
1972 £141.5 million)

145.7 166.6

Total indebtedness

Deduct: repayments due within next twelve months (Note 25)

434.8 416.6

53.8 43.0

Total long term indebtedness

(Total bank loans and overdrafts
£186.7 million 1972 £211.0 million)

381.0 373.6

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Fixed assets**Cost or valuation**

	Mining properties and leases	Land and buildings	Plant and machinery	Capital works in progress	£ millions 1973 total	£ millions 1972 total
At 1 January 1973	79.0	235.8	575.1	45.1	935.0	817.6
Adjustments on currency conversion	10.5	30.6	81.7	7.4	130.2	100.7
Lornex now consolidated (1972 Anglesey Aluminium no longer consolidated)	0.5	7.6	34.9	—	43.0	(51.0)
Additions	0.9	9.4	19.8	43.0	73.1	87.2
Disposals	(0.2)	(4.0)	(13.2)	—	(17.4)	(19.8)
Transfers and other movements	6.0	8.5	41.0	(50.8)	4.7	0.4
	<u>96.7</u>	<u>287.9</u>	<u>739.3</u>	<u>44.7</u>	<u>1,168.6</u>	<u>935.0</u>

Depreciation

At 1 January 1973	16.4	53.7	164.1	—	234.2	186.9
Adjustments on currency conversion	2.0	4.2	17.9	—	24.1	21.0
Lornex now consolidated (1972 Anglesey Aluminium no longer consolidated)	—	0.1	1.8	—	1.9	(0.6)
Depreciation for the year	3.6	10.7	45.8	—	60.0	39.1
Disposals	—	(0.7)	(9.1)	—	(9.8)	(12.6)
Transfers and other movements	2.2	(2.4)	2.9	—	2.7	0.4
	<u>24.1</u>	<u>65.6</u>	<u>223.4</u>	<u>—</u>	<u>313.1</u>	<u>234.2</u>

Net balance sheet value

	<u>72.6</u>	<u>222.3</u>	<u>515.9</u>	<u>44.7</u>	<u>855.5</u>	<u>700.8</u>
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The net balance sheet value includes the following amounts for freehold and leasehold land (including buildings thereon)

Freehold land and buildings	12.2	60.0
Leasehold land and buildings:		
— Long lease	1.6	2.0
— Short lease	58.8	160.3
	<u>72.6</u>	<u>222.3</u>

The total cost or valuation of fixed assets includes certain valuations made by the Group's directors or professional advisers.

	Year of valuation	Revalued amount	Present written down value
The amounts of revaluations over £1 million are:	1956	12.9	10.2
	1966	2.1	2.0
	1971	7.7	7.2
	1973	2.1	1.9

Depreciation provided on the Group's fixed assets is calculated on a straight line basis with the exception of assets at certain mines in North America where depreciation is provided on a depletion basis related to mineral extraction.

Generally assets are fully depreciated over the shorter of the economic life of the plant or mine, or twenty years. No depreciation is provided until assets are put into commercial operation nor is any further provision made once assets become fully depreciated.

Depreciation rates for the principal assets of the Group vary between 5 per cent and 10 per cent per annum. It is not Group policy to provide for increased asset replacement cost.

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Exploration and development	£ millions 1973	£ millions 1972
At cost less provisions		
At 1 January 1973	7.3	6.4
Adjustment on currency conversion	1.1	0.4
Expenditure in year	13.1	10.1
Charged against profit for year	(10.6)	(7.8)
Included in extraordinary items:		
— Development projects written off	—	(1.2)
Other movements	(0.1)	(0.6)
At 31 December 1973	<u>10.8</u>	<u>7.3</u>

During the initial exploration stage of projects, full provision is made in respect of the costs thereof by charge against profit of the year.

The expenditure carried forward represents further costs on projects which appear to be more promising and on which an extended programme of evaluation is being carried out to establish their commercial viability.

Full provision against these projects is, in the opinion of the directors, no longer appropriate. A reserve is maintained (Note 14) equal to such costs which is released to retained profits should the project proceed to the production stage, or be written off.

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Pre-production and other expenditure	£ millions 1973	£ millions 1972
At cost less amortisation		
At 1 January 1973	22.3	57.6
Adjustment on currency conversion	1.6	2.0
Lornex now consolidated (1972 Anglesey Aluminium no longer consolidated)	16.3	(35.7)
Expenditure in year	3.7	4.7
Charged against profit for year	(6.9)	(4.3)
Other movements	0.1	(1.9)
At 31 December 1973	<u>37.1</u>	<u>22.3</u>

Pre-production expenditure represents the costs, other than expenditure on fixed assets, of bringing projects to the commercial production stage. The other expenditure under this heading includes deferred revenue expenditure. Expenditure on projects which have commenced commercial production is being amortised on the same basis as fixed assets (Note 17).

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Investments in associated companies

Shares	£ millions			£ millions		
	Quoted	Unquoted	1973 Total	Quoted	Unquoted	1972 Total
At cost or valuation	21.2	43.3	64.5	30.1	3.3	63.4
Group share of post-acquisition profits and reserves	1.4	27.4	28.8	3.9	27.3	29.8
Adjustments for NBHC Holdings	—	—	—	(12.6)	—	(12.6)
	22.6	70.7	93.3	21.4	64.2	85.6
Loans advanced			—			18.0
Total investment in associated companies			93.3			103.6

£5.6 million (1972 £4.9 million) of the Group's share of post-acquisition retained profits and reserves, totalling £28.8 million (1972 £29.8 million), is attributable to outside shareholders in Group subsidiaries holding these investments. The balance of £23.2 million (1972 £24.9 million) attributable to RTZ shareholders is included in Group reserves as shown in Note 14.

As a result of the liquidation in 1973 of NBHC Holdings and the subsequent distribution of assets in specie, the Group now holds directly its proportion of the shareholdings in RTZ Group subsidiaries previously held by NBHC Holdings. Thus, the adjustment to eliminate these shareholdings from associated company investments is no longer necessary.

Lornex Mining is consolidated in the Group accounts as a subsidiary company following conversion in the year of the Group's holding of non-voting class A shares to common shares. In 1972 the company was accounted for as an associated company.

The following principal investments are included under the headings shown above:

		£ millions		£ millions	
		1973		1972	
		Book value	Market value	Book value	Market value
Quoted associated companies					
Brinco Limited	11,213,264 shares of n.p.v.	21.1	25.4	21.0	27.6
Lornex Mining Corporation Ltd	1972 — 3,665,952 common shares of Can \$1 each	—	—	1.3	10.1
NBHC Holdings Limited	1972 — 16,672,362 shares of A50c each	—	—	7.7	22.2
Miscellaneous		0.1	0.3	0.1	0.3
		21.2	25.7	30.1	60.2
Unquoted associated companies					
Anglesey Aluminium Limited	7,050,000 ordinary shares of £1 each	7.1	—	7.1	—
The Broken Hill Associated Smelters Pty Limited	20,000,000 shares of \$A1 each	9.7	—	8.3	—
Comalco Limited	58,500,000 B shares of A50c each	18.8	—	15.9	—
Lornex Mining Corporation Ltd	1972 — 867,758 class A shares of Can \$1 each	—	—	—	15.9
Miscellaneous	Directors' valuation £7.7 million (1972 — £7.0 million)	7.7	—	7.0	2.1
		43.3	—	38.3	18.0
Share capital and loans of associated companies					
	Issued share capital	Loans			
Brinco	24,268,811 shares of n.p.v.	Nil			
Anglesey Aluminium	15,000,000 ordinary shares of £1 each	£58.6m			
Broken Hill Associated Smelters	40,000,000 shares of \$A1 each	Nil			
Comalco	130,000,000 shares of A50c each	\$A105.4m			

Further details of the Group's interest in the above companies are given on pages 44 and 45

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Other investments

		At cost or valuation	£ millions 1973 Market value	At cost or valuation	£ millions 1972 Market value
Quoted					
The British Petroleum Company	1,733,333 stock units of £1 each	5.5	9.3	5.5	10.3
Unión Explosivos Río Tinto SA	364,291 shares of 500 Ptas each (1972 - 804,291)	1.8	5.0	4.6	9.2
Miscellaneous		1.4	1.4	2.2	2.4
		<u>8.7</u>	<u>15.7</u>	<u>12.4</u>	<u>21.9</u>
Unquoted					
Miscellaneous	Directors' valuation £18.8 million (1972 £7.6 million)	16.8		6.7	
Total other investments		<u>25.5</u>		<u>19.1</u>	

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Stocks

Stocks include raw materials, partly processed materials, saleable products and stores. With the exception of Rio Algom and Lornex's concentrates awaiting shipment which are valued at selling price with a total value of £22.9 million at 31 December 1973, all stocks are valued at lower of cost and market value. Cost for raw materials and stores is determined at purchase price and for partly processed and saleable products is generally the cost of production, in each case calculated on average or standard costing principles. In the case of certain metals contained in purchased raw materials where prices are subject to wide market fluctuations, stock reserves are maintained to average out the impact on costs of these price fluctuations. Market values are replacement cost for raw materials and plant stores and net realisable value for partly processed and saleable products.

Apart from Rio Algom and Lornex's concentrates awaiting shipment, no element of profit is included in stock valuations and provisions are made where necessary to cover slow moving or obsolescent items.

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Debtors

Included in debtors are amounts totalling £19.7 million (1972 £26.3 million) receivable over varying periods in excess of one year and £6.2 million (1972 £2.8 million) for Advance Corporation Tax and further advance tax payments which will be recoverable from United Kingdom corporation tax payable on 1974 profits.

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Creditors and provisions

	£ millions 1973	£ millions 1972
These comprise:		
Trade creditors and accruals	137.6	103.1
Dividends payable to outside shareholders of subsidiaries	28.5	7.0
Provisions	36.1	28.9
	<u>202.2</u>	<u>139.0</u>

Provisions are principally comprised of amounts set aside for deferred maintenance, plant re-organisation, employees' welfare and pension cost.

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Short term indebtedness

£ millions	£ millions
1973	1972
53.8	43.0
41.0	44.4
<u>94.8</u>	<u>87.4</u>

This comprises:

Loan repayments due within twelve months (Note 16)
Bank overdrafts and notes
(secured £14.3 million 1972 & 7.4 million)

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Commitments and contingencies

	£ millions		£ millions
	1973		1972
RTZ The Group		RTZ The Group	

Capital expenditure authorised by the
appropriate boards and outstanding at
December 1973:

- Contracted	Nil	24.1	Nil	19.4
- Not contracted	Nil	42.1	Nil	46.2
Uncalled liabilities on investments	Nil	0.3	Nil	4.6
Guarantees and other contingencies	29.4	20.1	18.4	17.5

Other guarantees and undertakings which cannot
be quantified.

No loss is expected in respect of the contingencies
referred to above.

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Currency conversion

Accounts of overseas operations in foreign currencies are converted into sterling at the quoted rates of exchange at 31 December 1973. Exchange differences on conversion of foreign currency share capital and capital reserves, and unrealised exchange gains on foreign currency long term loans are dealt with through capital reserves; exchange differences on retained earnings in overseas operations, and exchange losses and realised gains on foreign currency long term loans are dealt with as extraordinary items.

Report of the Auditors

the members of The Rio Tinto-Zinc Corporation Limited

In our opinion, based on our examination and the reports of the auditors of certain subsidiaries and associated companies not audited by us, the accounts set out on pages 12 to 25 and 44 to 45 together give a true and fair view of the state of affairs at 31 December 1973 and of the profit for the year ended on that date and comply with the Companies Acts 1948 and 1967.

Coopers & Lybrand
Spicer and Pegler
Chartered Accountants

London 9 April 1974

Finance Act 1965 capital gains tax

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In certain circumstances, when a person owns stock or shares his liability to tax in respect of capital gains is computed by reference to the market value of the stock or shares on 6 April 1965. Market values of ordinary and preference shares and loan stock on that date (adjusted to take account of all changes to 9 April 1974 other than the rights issue of ordinary shares in 1968), for the purposes of capital gains tax, were:

25p ordinary shares (registered) 72.34375p*
25p ordinary shares (bearer) 73.4375p
'A' £1 preference shares 63.75p
'B' £1 preference shares (registered and bearer) 65p
6½ per cent unsecured loan stock (fully paid) 96

* In the case of shares arising from the one-for-five scrip issue made 1 April 1965, the relevant market value was 71.875p per 25p share.

For capital gains tax purposes additional accumulating ordinary shares issued by the company in respect of an existing holding will be treated as an addition at nil consideration to the holding.

Financial calendar RTZ

Ordinary shares
Interim dividend for 1973
Announced 19 September 1973. Paid 3 January 1974
Final dividend for 1973
Proposed 9 April 1974. To be paid 1 July 1974

Accumulating ordinary shares
Further shares in lieu of dividend
allotted on same dates as interim
and final dividends paid on ordinary shares

'A' preference shares
Dividends
Paid 2 July 1973 and 2 January 1974

'B' preference shares
Dividends
Paid 2 July 1973 and 2 January 1974

6½ per cent unsecured loan stock
Interest
Paid 2 July 1973 and 31 December 1973

Half year results for 1973
Announced 19 September 1973

Full year results for 1973
Announced 9 April 1974

Report and accounts for 1973
Posted to shareholders 25 April 1974

Annual general meeting for 1974
To be held in London 20 May 1974

Chairman's statement
To be posted to shareholders following the annual
general meeting

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Notes

1 The review deals only with the most important activities and projects of the major companies of the Group. Many of the other activities are covered in the annual reports of certain quoted subsidiary and associated companies. As indicated on page 1, these reports are available on request.

2 Unless otherwise stated all weights are expressed in metric tonnes. A tonne is equivalent to 2,204.6 pounds or 1,000 kilograms.

Conzinc Riotinto of Australia Limited

Conzinc Riotinto of Australia (CRA) a major Australian public company (80.6 per cent owned by RTZ) is the holding company for the greater part of the RTZ Group's interests in Australia, New Zealand and adjacent territories, and has substantial interests in Europe (including the United Kingdom). CRA's principal interests, through its subsidiary and associated companies, are in copper (Bougainville Copper Limited), iron ore (Hamersley Holdings Limited), lead and zinc (Australian Mining & Smelting Limited) and aluminium (Comalco Limited). CRA also has interests in uranium, oil and natural gas exploration, coal, and mineral exploration.

Bougainville Copper Limited (53.6 per cent owned by CRA)

1973 was the first full year of operation at the open-pit copper mine on Bougainville Island in Papua New Guinea, at which commercial production started in April 1972.

Production of copper in concentrate during 1973 was 182,890 tonnes. Total sales for the year were 637,652 dry tonnes of concentrate containing 179,541 tonnes of copper, 634,558 ounces of gold and 1,390,775 ounces of silver which covered all commitments for the year under the company's sales contracts.

The mine and plant and ancillary facilities operated efficiently throughout the year, but the most important factor which contributed to Bougainville's high earnings was the very large increase in world metal prices.

Bougainville Copper, in which a 20 per cent interest is held by or on behalf of the Papua New Guinea Government, has continued its policy of providing education and training for citizens of Papua New Guinea to enable them to take positions of greater responsibility with the company. The company also continued to develop the housing and other amenities at the mine and at the coastal town of Arawa.

Hamersley Holdings Limited (54 per cent owned by CRA)

Total shipments of iron ore by Hamersley Iron Pty Limited (wholly-owned by Hamersley Holdings) were 27,705,000 tonnes, compared with 22,117,000 tonnes in 1972. The increase resulted from the start of commercial production at the new mine at Paraburdoo and the operation of the additional port facilities at East Intercourse Island.

Despite the higher volume of sales, Hamersley's earnings showed a substantial decline largely as a result of changes in currency exchange rates. Other adverse factors were higher operating costs, resulting from the start of commercial operations at Paraburdoo at less than full capacity and from general cost inflation, higher freight rates, interest and depreciation charges, industrial unrest and unusually bad weather conditions. As a result of strikes during 1973, some two million tonnes of production were lost.

Demand for iron ore improved considerably during 1973. Japanese buyers ordered increased tonnages for late 1973 and early 1974 and exercised an option for an additional one million tonnes a year from 1975. Deliveries to South Korea began in 1973 and a contract with the People's Republic of China was secured.

Australian Mining & Smelting Limited (AM&S) (73.6 per cent owned by CRA)

During 1973, the integration of CRA's interests in lead, zinc and silver mining, smelting and refining was completed. AM&S, the holding company for these interests, is now a substantial publicly-quoted company.

As a result of higher metal prices and generally satisfactory operations at the mines and smelters, the sales and earnings of AM&S for 1973 showed a substantial increase over those for 1972.

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Mining

Total production of lead and zinc concentrates from the mines of The Zinc Corporation, Limited and New Broken Hill Consolidated Limited at Broken Hill, New South Wales, (both wholly-owned by AM&S) was lower than in 1972. This was due mainly to an interruption in operations in a section of the latter mine caused by caving. Production from the section concerned was resumed in February 1974.

Smelting

Metal production from the zinc/lead smelter at Cockle Creek, NSW, owned by Sulphide Corporation Pty. Limited (wholly-owned by AM&S) was lower than in 1972, as a result of a planned three-week shutdown for major maintenance work and subsequent operating problems.

The lead smelter at Port Pirie, South Australia, owned by The Broken Hill Associated Smelters Pty. Limited (50 per cent owned by AM&S), operated at a reduced level until August when production was increased to full capacity in response to world demand. The zinc plant operated at full capacity throughout the year.

As stated in the 1972 report, Commonwealth Smelting Limited, a wholly-owned subsidiary of AM&S Europe Ltd. (itself wholly-owned by AM&S), acquired from RTZ the Imperial Smelting Furnace complex at Avonmouth, England. The results of the Avonmouth plant showed an improvement over those of 1972 primarily because of better operating performance and higher metal prices. Early in 1974, production was reduced to 50 per cent of capacity for some weeks as a consequence of national power restrictions.

Construction of the new electrolytic zinc plant at Budel in The Netherlands, in which AM&S has a 50 per cent interest, was substantially completed in 1973 and full production is expected to be achieved in the third quarter of 1974.

Comalco Limited (45 per cent owned by CRA)

Comalco, an important Australian publicly-quoted company, is the holding company for a large integrated group with interests extending from bauxite mining through alumina and primary aluminium production to fabricated aluminium products for the industrial and consumer markets.

Comalco's sales and earnings for 1973 were substantially higher than for the previous year, largely as a result of increased demand for aluminium.

Bauxite mining

During 1973, shipments of beneficiated bauxite from Weipa, Queensland, totalled 8.4 million tonnes compared with 7.0 million tonnes in 1972. The greater part of the increase was due to demand from the alumina refineries at Gladstone, Queensland, and in Sardinia in each of which Comalco has interests.

Alumina refining

Queensland Alumina Limited (RTZ beneficial equity interest 15.1 per cent) completed the third expansion of its refinery at Gladstone in the fourth quarter of 1973 and the plant now has an annual capacity of two million tonnes of alumina.

The 600,000 tonnes a year refinery in Sardinia, in which Comalco has a 20 per cent interest, commenced production during the second quarter of 1973. The refinery produced 324,000 tonnes in the year.

Primary aluminium

At the Bell Bay smelter in Tasmania both production and costs were adversely affected by industrial unrest. The small alumina plant at Bell Bay, which had become uneconomic, was closed during 1973.

Operations at the smelter at Bluff, New Zealand (50 per cent owned by Comalco), were satisfactory during 1973. The annual capacity of the smelter is to be increased from 112,000 tonnes to 150,000 tonnes by 1976.

In February 1974, Comalco announced that it intended to organise a consortium to construct a new primary aluminium smelter at Gladstone, Queensland, close to the existing alumina plant of Queensland Alumina Limited. The proposed plant would have an initial capacity of 100,000 tonnes a year and is planned to begin operations in early 1977.

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Aluminium fabrication

Although demand for fabricated and semi-fabricated products increased substantially during 1973, profitability was reduced by industrial disputes.

Other interests

Mary Kathleen Uranium Ltd (51 per cent owned by CRA)

Although this company has sales contracts for substantial quantities of uranium oxide, currency realignments and Australian tax changes have adversely affected the economics of a renewal of operations. The company is studying the conditions necessary for the reopening of the mine.

Blair Athol Coal Pty. Ltd (57 per cent owned by CRA)

During 1973 engineering and marketing studies on the possibility of establishing an export operation based on this company's coal deposit in Queensland continued. Interest by potential customers increased as a result of the changed world oil supply situation.

Mineral exploration and development

Nickel — In May 1973, development of the nickel deposit at Redross in Western Australia was started. Interests are held 8.6 per cent by CRA, 31.4 per cent by AM&S and 60 per cent by Anaconda Australia Inc. (which manages the project). Deliveries of concentrates are due to start in the first half of 1974.

Exploration for other minerals — Activity continued at approximately the same level as in 1972 throughout Australia and overseas, particularly in Papua New Guinea, the British Solomon Islands Protectorate and New Zealand.

Rio Algom Mines Limited

Rio Algom Mines, in which RTZ has a beneficial interest of 51.2 per cent, is an important Canadian public company with interests in copper and uranium mining and the production of stainless and specialty steels.

Lornex Mining Corporation Ltd (55.2 per cent owned by Rio Algom)

Rio Algom's principal interest in copper mining is held through Lornex which owns and operates an open pit copper/molybdenum mine in the Highland Valley of British Columbia. The mine started commercial operations in October 1972 and the plant reached its designed average daily milling rate of over 34,000 tonnes of ore in March 1973. Ore milled during 1973 totalled 12,689,065 tonnes. During the year 46,349 tonnes of payable copper and 1,579 tonnes of molybdenum in concentrate were produced. The whole of the copper concentrate output of Lornex is sold to Japanese copper smelters under a long-term contract.

As a result of both satisfactory operating performance and the substantial rise in copper prices during the year, the profits of Lornex for 1973 were at a high level.

Mines de Poirier

The earnings of Mines de Poirier benefited from higher copper prices and from improvements in both grade and mill recovery.

Uranium

As in 1972, all uranium oxide production by Rio Algom at Elliot Lake, Ontario, in 1973 was from the New Quirke mine and mill. The tonnage of ore produced was lower than in 1972 because work was slowed down in March and April while negotiations with the unions for a new industrial agreement were in progress. The average grade of ore mined was higher than in 1972.

The milling rate at the Lisbon mine, in Utah, which started commercial production in October 1972, has exceeded the designed rate of 450 tonnes per day since the first quarter of 1973. The plant is being expanded to a daily rate of 635 tonnes. The grade of ore improved during the year but was lower than anticipated.

Rio Algom has long-term sales contracts sufficient to assure continuity of operations into the early 1980's, and it is expected that the United States market for uranium will be opened to producers outside the United States in a few years' time.

At the long-term uranium price levels now predicted, the Elliot Lake uranium reserves of RTZ's subsidiaries, Rio Algom Mines Limited and Preston Mines Limited, are believed to be as large as or larger than those held by any company in North America.

Steel

As a result of operational improvements, strong worldwide demand and increased selling prices, the steel operations of Rio Algom achieved substantially higher sales and earnings during 1973 than in 1972.

The plants at Welland, Ontario, and Tracy, Quebec, operated at capacity for most of 1973 although production at Welland was affected by a sixteen-day strike in April.

In 1974 construction will begin at the Welland plant of a new steel melt shop which will replace the existing facility. This is scheduled for completion in 1976 at a capital cost of about Can\$20 million and will improve the efficiency and increase the capacity of the plant.

Mineral exploration

During 1973, exploration expenditures by Rio Algom and its subsidiaries were approximately 26 per cent higher than in 1972.

A long-term programme initiated in 1967, directed primarily at identification of porphyry copper deposits, was continued and the search has been extended into the Yukon and the North West Territories in Canada and to Alaska in the United States. This programme has been enlarged to include exploration for zinc and other minerals. The search for uranium prospects in the United States was continued.

Preliminary feasibility studies on a coking coal prospect in British Columbia and on an asbestos prospect in Quebec will be completed in 1974.

Brinco Limited

The following gives the position of the principal activities of Brinco Limited, a Canadian public company in which RTZ has at present a beneficial interest of 40.2 per cent, up to the end of 1973.

Churchill Falls (Labrador) Corporation Limited (56.9 per cent owned by Brinco)

During 1973, three more turbine-generator units were commissioned at the Churchill Falls hydro-electric development on the Upper Churchill River, making a total of seven units in operation by the end of the year, with an installed capacity of 3.325 million kilowatts or 4.536 million horsepower. The remaining four units are due to be in operation by the end of 1974, and the entire project will have been completed ahead of the construction schedule and within the original cost estimates. The total capacity of the plant will be 5.225 million kilowatts or 7 million horsepower.

Other hydro-electric developments

Brinco has been actively engaged in a feasibility study of a site for a possible new hydro-electric scheme at Gull Island on the Lower Churchill River. This development would have an installed capacity of 1.8 million kilowatts.

Mineral exploration

Field work at the Abitibi Asbestos Mining Company Limited property in north-western Quebec was completed in December 1973, and bulk samples of asbestos were milled in the pilot plant. Tests conducted with the fibre produced, including a production run, indicate the quality of Abitibi asbestos to be satisfactory. The extensive data obtained from the field programme is currently being analysed and evaluated. Brinco has until January 1976 to make a production decision, and if it decides to proceed, Brinco has the right to increase its interest to 51 per cent.

Brinco continued its exploration programmes in a number of areas of Canada.

Uranium enrichment

In August 1973 the Canadian Government gave approval in principle to the establishment in Canada of a uranium enrichment facility. Brinco has proposed to organise and build such a facility.

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Recent developments

In March 1974, it was announced that Brinco had reached agreement with the Government of Newfoundland for the sale to the Government of its 56.9 per cent shareholding in Churchill Falls (Labrador) Corporation Limited and its other water power rights in Labrador for Can \$160 million in cash. Brinco has agreed to use its best efforts to ensure the completion of the Churchill Falls hydro-electric development and to continue its current programme for the development of the power site at Gull Island. The agreement is subject to approval by the shareholders of Brinco, who will be given the opportunity of tendering their shares for a cash payment of Can \$7.07 per share. RTZ and other major shareholders have stated that they will retain their interests in the company.

Rio Tinto South Africa Limited

Rio Tinto South Africa (wholly-owned by RTZ) is the holding company for the principal interests of the Group in southern Africa. The most important of these interests are in copper (Palabora Mining Company Limited), uranium (Rössing Uranium Limited) and mineral exploration.

Palabora Mining Company Limited (RTZ beneficial interest 38.9 per cent)

The tonnage of ore milled by Palabora in 1973 was 19.2 million tonnes (1972 — 19.3 million tonnes). As a result of improved mill recoveries, however, copper production in 1973 was higher at 93,638 tonnes (1972—90,252 tonnes). The rise in world copper prices resulted in a substantial increase in sales revenue. This was partly offset, however, by a rise of about 12 per cent in the cost per tonne of copper produced, due chiefly to increases in the costs of labour, supplies and freight, higher waste stripping ratios and higher depreciation charges.

Production and sales of vermiculite, magnetite and sulphuric acid were appreciably higher than in 1972.

Palabora has continued its policy of providing improved pay, amenities and opportunities for advancement for employees of all races. Construction of the new hospital, for which, as stated in the 1972 report, the company has contributed a substantial sum in order to provide guaranteed medical facilities for its African employees and their dependants, is proceeding and the hospital should be in use by mid-1975.

Rössing Uranium Limited (RTZ beneficial interest 60 per cent)

During 1973, work began on the construction of basic facilities, including construction camps, offices, temporary power and water systems and road and rail spurs, as a preliminary to the development of the uranium deposit near Swakopmund in South West Africa. Basic engineering was completed during the year and detailed engineering has started.

Pre-production work in the open cast mine will commence in the third quarter of 1974 to be ready for commissioning of the treatment plant in the second half of 1976. In the initial production phase, mining of ore and waste will be at the rate of about 60,000 tonnes per mine day. As stated previously, finance and sales contracts have been arranged.

Mineral exploration

Group companies continued the search for mineral deposits. A number of prospects are currently being investigated throughout southern Africa.

R.T.Z. Borax Limited

The principal interests of RTZ Borax (wholly-owned by RTZ) are in borax, potash and industrial and agricultural chemicals. The principal operating companies which make these products are located in the United States, Canada, the United Kingdom, mainland Europe and South America; and the products are marketed throughout the world by Group companies and their agents.

Borax

The United States Borax & Chemical Corporation mine and refinery at Boron, California.

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worked at the full capacity of the refinery throughout the year, as also did other Group refineries which produce industrial borates in Europe and South America. During 1973 demand from the industrial borax consuming industries remained strong throughout the world. Further increases in production capacity will be completed in 1974.

Additional fuel oil storage capacity was installed during the year at Boron in order to ensure a reliable source of energy as an alternative to natural gas, the supply of which to Californian industry will, in future, be substantially reduced.

The year was marked by rapid escalation of production costs, especially fuel costs, as well as ocean freight rates. Strict price controls remained in force throughout the year in the United States, the United Kingdom and other countries. However, the high level of production helped to offset the serious pressure on profit margins arising from the combined effects of rising costs and price controls.

The '20 Mule Team' department of US Borax, which markets laundry additives and other consumer products in the United States, had another successful year.

Potash

US Borax has a 40 per cent interest in a joint venture in Allan Potash Mines in Saskatchewan, Canada. The Saskatchewan Government continues to operate a pro-rationing scheme which controls the output and the minimum selling price of all the potash producers in the province.

1973 saw a marked growth in the world potash market. The strong demand in North America, combined with a substantial increase in exports, led to improved prices and profitability.

Herbicides

A new selective herbicide 'Cobex' has been developed in the Research Department of US Borax. Government approvals have been obtained in the United States and elsewhere for use on soya bean and cotton crops. Test marketing started in 1972 and on the basis of the encouraging results obtained, it is planned to market substantial quantities in 1974.

Chemicals

During the year, RTZ's chemical operations in the United Kingdom were regrouped under the management of RTZ Borax. A new wholly-owned holding company, R.T.Z. Chemicals Limited, was formed, and this now embraces the activities of I.S.C. Chemicals Limited at Avonmouth, Hardman & Holden Limited in the Manchester area, Barium Chemicals Limited and Thorium Limited at Widnes and Nutfield Manufacturing Company Limited near Redhill, together with a number of other associated companies. The principal products include sulphuric acid, sodium hydrosulphite, fluorocarbons, Prussian blue, barium chemicals, paint driers, zinc oxide, rare earths and a range of other products used by the textile, rubber, paint, plastic and refrigeration industries.

Following the upsurge in business activity in the United Kingdom and in many other markets where the Group's chemical products are sold, plants were operated at full capacity throughout the year. In spite of a year of price controls and escalating costs, improved sales and profits were achieved; export markets contributed substantially to this performance. Special attention has been given to improving efficiencies of existing operations and to environmental conditions at the plants.

Construction of a new sulphuric acid plant at Avonmouth with an annual capacity of about 250,000 tonnes, to operate on elemental sulphur, began in 1973, with start-up planned for the early summer of 1974.

Research

The main research laboratories of the RTZ Borax group are at Anaheim in California, at Chessington, Surrey, and at Avonmouth. Much of the effort is directed to the support of current manufacturing operations, the improvement of existing processes and the development of new selective herbicides. Work related to the energy crisis and escalating fuel costs, and to the continued need to improve environmental conditions, now has a high priority.

Exploration

The US Borax exploration programme included the search for borate ores, other non-metallic minerals, non-ferrous metals, oil and gas.

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R.T.Z. Europe Limited

During 1973 RTZ Europe (wholly-owned by RTZ) was established to be responsible progressively for many of the operations both in the United Kingdom and on the European mainland previously directly responsible to the RTZ headquarters. The main exceptions are Rio Tinto Finance & Exploration Limited, R.T.Z. Development Enterprises Limited, the RTZ Borax group and Anglesey Aluminium Limited.

The principal operating interests of RTZ Europe are Copper Pass and Son Limited and the RTZ Pillar group companies, some of which operate outside Europe, particularly in Canada and Australia. Through a wholly-owned subsidiary, RTZ Estates Limited, RTZ Europe is also responsible for the management of certain of the RTZ Group's freehold land in the United Kingdom.

The strong trading in the United Kingdom, Sweden and North America and an encouraging improvement in the profits of the Australian group in 1973 more than offset the disappointing results in Germany so that RTZ Europe group companies considerably increased their profits overall compared with 1972.

The RTZ Pillar group, apart from Pillar Engineering, principally produces semi- and fully-fabricated aluminium products. Because of the growth of its activities, this group has now been decentralised for management purposes into five units through the following companies: Pillar Aluminium Limited and Pillar Engineering Limited both undertaking operations in the United Kingdom; R.T.Z. Pillar Europe Limited operating in mainland Europe; Indal Canada Limited operating in Canada and the United States; and R.T.Z. Pillar Pacific Pty. Limited operating in Australia, South East Asia and other countries. With the exception of Indal Canada Limited (61.1 per cent owned), all these companies are wholly-owned by RTZ Europe.

Pillar Aluminium Limited

The Pillar Aluminium group consists of over twenty operating companies located in the United Kingdom. The group is divided into three principal divisions: the metal fabricating division comprises aluminium extruding, tubedrawing, anodising and surface finishing and steel roll-forming companies and in addition is involved in the manufacture of components for the domestic appliance and automotive industry; the building products division consists of companies involved in the manufacture of a wide range of commercial and home improvement architectural products including double glazing, metal windows, doors and patent glazing; and the distribution division is engaged in the metal and chemical stockist businesses. The Pillar Aluminium group had a very successful year following exceptionally high demand for its products.

Pillar Engineering Limited

The Pillar Engineering group, comprising twenty-three operating companies, mainly engaged in light engineering, galvanising, diecasting, welding rod manufacture, aero-engine overhaul, electrical contracting and merchanting of all types of engineering and welding supplies, had a satisfactory year, with the aero-engine overhaul, diecasting, pneumatics and jobbing engineering companies being major contributors towards this group's profits.

The main problems for both the Pillar Aluminium and the Pillar Engineering groups have been the shortages of labour and raw materials, particularly steel.

R.T.Z. Pillar Europe Limited

The RTZ Pillar Europe group is engaged throughout Europe in a number of aluminium fabricating and semi-fabricating operations including extrusion of aluminium, and surface finishing and distribution of aluminium products for the building, consumer durables and automotive industries. The group again had a difficult year; excellent results in Sweden and satisfactory results in France and in Portugal were offset by further disappointments in Germany. The entire German operations are being reorganised.

Indal Canada Limited

This publicly-quoted Canadian company is engaged, through over 30 plants located in all major centres of the country, principally in aluminium extruding, anodising and surface finishing, in the manufacture of a wide range of aluminium home improvement and commercial and domestic building products, in steel roll-forming and design engineering and in the supply of components to the automotive industry. Considerable new investment took place to expand existing businesses and to enter new

fields. The most important of the new activities undertaken in 1973 were metal trading and the setting up of a tempered glass plant which is expected to operate at full capacity in 1974. This group has had another year of considerably increased profits, and order books for 1974 stand at record levels.

R.T.Z. Pillar Pacific Pty. Limited

The reorganisation of the RTZ Pillar Pacific group has been completed, following the sale to Comalco of certain of its operations in Australia. This group's activities are now concentrated on the manufacture of wooden and aluminium windows in Australia and on steel and aluminium louvre windows in various countries outside Australia and the outlook now appears promising.

Capper Pass and Son Limited

This company was successful in securing further tin concentrate material during the year for its large tin smelting plant at North Ferriby in Yorkshire; the new fuming furnace, after early commissioning difficulties, is now performing better and contributing towards increased production and profitability.

Other companies and activities

The interests of the RTZ Group include a number of companies and activities which do not form part of any of the groups whose activities are described earlier in this Review. The most important of these are described in this section.

Oil and natural gas exploration

RTZ holds extensive interests in the United Kingdom sector of the North Sea as a member of a group for which Hamilton Brothers Oil and Gas Limited acts as operator.

Preparatory work for the installation of an initial oil production facility for the Argyll Field continued during the year. Production is expected to start in the third quarter of 1974. RTZ has a 25 per cent interest in this development.

Two exploratory wells were drilled on other licensed blocks without yielding any commercial oil shows.

RTZ participated as a member of a larger consortium, headed by Hamilton Brothers, in applications for concessions in Norwegian waters but no decision as regards these applications has yet been made by the Norwegian Government.

R.T.Z. Development Enterprises Limited (wholly-owned by RTZ)

This company is Project Manager to The British Channel Tunnel Company Limited, in which RTZ is a shareholder, and which, with its French counterpart, Société Française du Tunnel sous la Manche, is engaged in a phased programme of work intended to lead ultimately to the completion of the Channel Tunnel by 1980.

Phase I of the project was completed during 1973 within the budgeted figure. In November 1973 the British and French companies and their respective Governments signed Agreement No 2 which allowed work to start on Phase II of the project.

Phase II, which is scheduled to be completed in July 1975 at a cost of £30.8 million, includes the construction of approximately two kilometres of service tunnel on both sides of the Channel. This construction work started on 21 November 1973. Early in April 1974, the United Kingdom Government announced that a full reassessment of the project would be carried out during the course of Phase II, following which a final decision will be made by the Governments on whether to proceed with construction of the main works.

R.T.Z. Consultants Limited (wholly-owned by RTZ)

During the year, a computer bureau subsidiary Metalogic Limited (now R.T.Z. Computer Services Limited), was merged with RTZ Consultants thus increasing the scope of the latter company's activities to include computer systems as well as mining, metallurgical and management services.

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Rio Tinto Finance & Exploration Limited (Riofinex) (wholly owned by RTZ)

Riofinex has the responsibility for Group exploration both in the United Kingdom and in those areas where the Group has not yet established permanent local headquarters organisations.

Deep sea manganese nodules

Riofinex negotiated during the course of the year a 20 per cent interest for the RTZ Group in a research and development programme to study the feasibility of recovering manganese nodules from the deep sea. These nodules are a potential source of copper and nickel. The programme will be managed by Kennecott Copper Corporation (with a 50 per cent interest) and other participants are Consolidated Gold Fields Limited, Mitsubishi Corporation and Noranda Mines Limited.

Mineral exploration

Exploration work continued in the United Kingdom, Eire, Spain, West Germany and Brazil. Preliminary studies have been carried out in Norway and Portugal.

Anglesey Aluminium Limited (47 per cent owned by RTZ)

Anglesey Aluminium's reduction plant at Holyhead operated satisfactorily during the early part of 1973 and production of metal was maintained at near the planned levels. However, the company experienced an acute shortage of labour during the summer and it was necessary to take out of commission a number of pots in each potline in order to maintain control of the operation. This caused a substantial cut in metal output during the autumn and was a major factor contributing to the operating loss for the year.

A programme for recommissioning pots was started towards the end of the year and this was making good progress when the power restrictions came into force in December 1973 under the emergency regulations. As a result, the programme, which provides for a return to full plant operation by the middle of 1974, has been subject to some delay. In order to provide additional financing to cover the losses incurred in 1973, the shareholding partners in Anglesey Aluminium have agreed to subscribe £5 million towards a further issue of share capital during 1974.

P.T. Riotinto Bethlehem Indonesia (55 per cent owned by the RTZ Group and 45 per cent by Bethlehem Steel Corporation)

This company continued its exploration in Sumatra during the year.

A coal deposit amenable to open-cast working is being investigated. Scout drilling of the deposit is scheduled for mid-1974 and preliminary engineering studies are being carried out.

Drilling of several alluvial gold prospects is in progress.

Conzinc Riotinto Malaysia Sdn. Berhad (RTZ beneficial interest 95 per cent)

This company has a 55 per cent interest in a joint venture with Bethlehem Steel Corporation. The bucket dredge built to work the tin deposit at Labohan Dagang in the State of Selangor started commercial production in 1973. The dredge is not yet operating at its rated capacity and considerable modifications will be carried out in 1974 in order to achieve its production target.

Brazilian bauxite

In December 1973, it was announced that a number of leading international companies, including RTZ, had signed a memorandum of understanding providing for further engineering and financial planning for the development of the Trombetas bauxite deposit in the Amazon River Basin in Brazil. If the viability of the project is established, it is proposed to start construction in 1974. RTZ's interest in this project is 5 per cent.

In addition, a large deposit of bauxite discovered by RTZ in the Amazon Basin is being investigated, but it is too early to say whether this will result in commercial production.

Financial summary

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	1964	1965	1966	1967	1968	1969	1970	1971	1972	1973
Turnover of Group companies of which sales to third parties	111.7	133.9	169.6	229.1	225.4	272.2	273.1	279.0	313.0	378.3
	<u>106.6</u>	<u>115.9</u>	<u>144.7</u>	<u>192.4</u>	<u>209.7</u>	<u>238.0</u>	<u>239.4</u>	<u>246.9</u>	<u>288.0</u>	<u>333.2</u>
Group profit before tax	18.6	19.0	29.6	45.8	50.8	74.2	25.8	23.0	96.0	224.8
Tax	5.9	6.3	5.7	7.4	19.2	29.8	34.4	28.3	35.2	56.4
Net profit attributable to RTZ shareholders, before extraordinary items	<u>9.4</u>	<u>10.1</u>	<u>13.0</u>	<u>19.0</u>	<u>20.4</u>	<u>22.8</u>	<u>27.0</u>	<u>12.0</u>	<u>29.5</u>	<u>69.6</u>
Earnings per share Based on average number in issue during year	6.30p*	6.77p	8.18p	11.43p	10.43p	10.94p	12.11p	8.45p	13.23p	31.44p
Ordinary dividend per share										
Paid to shareholders	2.83p*	2.57p	2.57p	2.94p	2.94p	3.31p	3.63p	3.62p	4.23p	4.49p
Paid to Inland Revenue	—	—	1.80p	2.06p	2.06p	2.32p	2.37p	2.32p	0.77p	—
Cost to RTZ	<u>2.83p</u>	<u>2.57p</u>	<u>4.37p</u>	<u>5.00p</u>	<u>5.00p</u>	<u>5.63p</u>	<u>6.00p</u>	<u>6.00p</u>	<u>5.00p†</u>	<u>4.49p†</u>
Cost of dividends										
Preference	0.3	0.3	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.4
Ordinary	4.1	3.7	7.0	8.2	9.9	11.5	13.2	13.2	11.0	8.6
Profit retained (before extraordinary items)	<u>5.1</u>	<u>6.3</u>	<u>6.2</u>	<u>10.3</u>	<u>9.8</u>	<u>10.8</u>	<u>13.3</u>	<u>5.3</u>	<u>18.0</u>	<u>60.6</u>
Ordinary shareholders' funds:										
Capital	30.2	36.2	40.2	41.2	51.0	51.0	54.7	54.8	54.9	55.1
Reserves	46.3	50.2	62.6	97.1	171.8	194.6	232.4	226.8	273.9	381.6
	<u>76.6</u>	<u>86.4</u>	<u>102.8</u>	<u>138.3</u>	<u>222.8</u>	<u>245.6</u>	<u>287.1</u>	<u>281.6</u>	<u>328.8</u>	<u>436.6</u>
Preference capital	10.8	10.8	10.8	10.8	10.8	10.8	10.8	10.8	10.8	10.8
Outside interests	19.2	26.6	40.3	82.1	103.4	117.8	158.5	191.4	233.5	313.3
Deferred tax	1.9	1.3	1.4	3.3	12.4	24.3	34.6	43.5	66.2	112.3
Loan capital	51.6	99.3	111.1	126.6	156.6	161.6	252.6	369.8	373.6	381.0
Capital employed	<u>160.0</u>	<u>224.4</u>	<u>266.4</u>	<u>361.1</u>	<u>506.0</u>	<u>580.1</u>	<u>741.6</u>	<u>897.1</u>	<u>1,012.9</u>	<u>1,254.0</u>
Profit on ordinary shareholders' funds:	per cent	per cent	per cent	per cent	per cent	per cent	per cent	per cent	per cent	per cent
Distributed	5.3	4.3	6.8	5.9	4.5	4.7	4.6	4.7	3.3	2.0
Retained	<u>6.7</u>	<u>7.3</u>	<u>6.0</u>	<u>7.4</u>	<u>4.6</u>	<u>4.4</u>	<u>4.7</u>	<u>1.9</u>	<u>5.6</u>	<u>13.9</u>

The above summary has been amended for all years to incorporate the Group's share of profits and reserves of principal associated companies.

*Adjusted figure based on the total number of ordinary shares after the one-for-five scrip issue in April 1965.

†When grossed up by the imputed tax credit available to UK shareholders, the ordinary dividend for 1973 is equivalent to 6.6p compared to 6.29p for 1972.

Turnover, Group profit before tax and net profit attributable to RTZ shareholders

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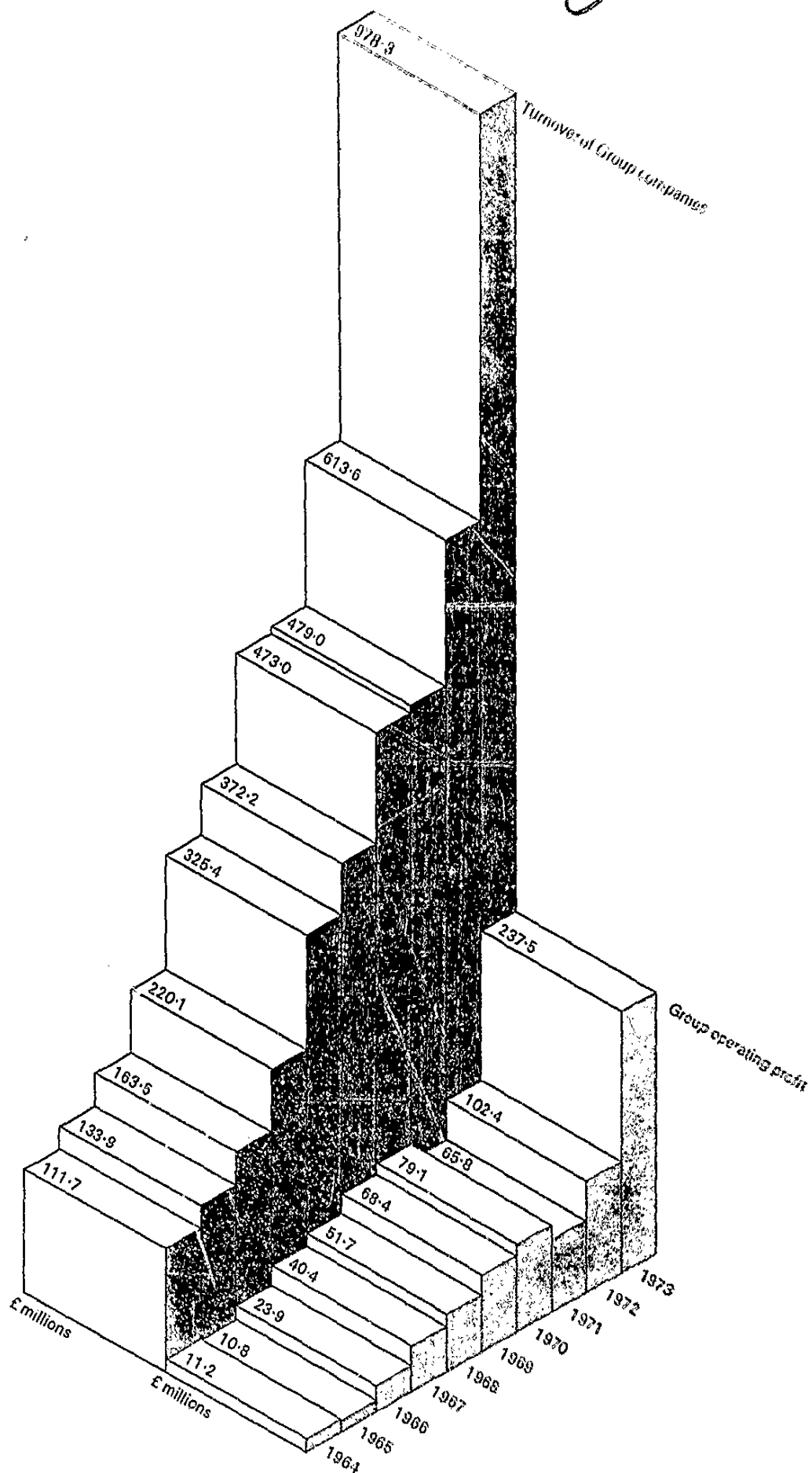
£ millions	1973	1972	1973	1972	1973	1972
	Turnover of Group companies		Group profit before tax		Net profit attributable to RTZ shareholders, before extraordinary items	
Product analysis						
Copper and gold	275.8	103.6	155.7	36.9	50.7	11.0
Lead and zinc	126.2	76.9	24.8	14.4	7.7	4.7
Borax and chemicals	89.7	69.4	11.0	8.2	6.7	5.0
Uranium	25.3	22.2	10.1	9.1	4.2	3.9
Iron ore	109.7	86.0	15.0	25.8	3.2	5.9
Aluminium	212.5	141.5	13.8	9.3	2.6	3.7
Steel	70.6	56.8	4.8	0.3	2.1	0.1
Tin	27.9	18.6	0.9	0.8	0.4	0.4
Oil	0.2	—	0.3	0.3	0.3	0.3
Other products and miscellaneous items	40.4	38.6	0.2	0.4	(1.4)	(1.3)
	<u>978.3</u>	<u>613.6</u>	<u>236.6</u>	<u>105.5</u>	<u>76.5</u>	<u>33.7</u>
Miscellaneous interest income (net)			2.7	0.9	2.0	0.6
Exploration and research expenditure			(14.5)	(10.4)	(8.9)	(4.8)
			<u>224.8</u>	<u>96.0</u>	<u>69.6</u>	<u>29.5</u>
Geographical analysis						
Australia	330.5	196.2	131.4	54.6	45.0	15.2
North America	268.2	176.9	41.4	13.1	15.5	6.3
Southern Africa	79.4	49.5	42.0	22.0	8.9	4.7
United Kingdom	238.7	150.0	6.9	3.2	(0.6)	1.5
Mainland Europe	42.4	31.4	1.5	2.0	(0.5)	0.8
Other countries	19.1	9.6	1.6	1.1	1.3	1.0
	<u>978.3</u>	<u>613.6</u>	<u>224.8</u>	<u>96.0</u>	<u>69.6</u>	<u>29.5</u>

Notes

1. The amounts shown above for turnover of Group companies are before deduction of sales to fellow Group companies.

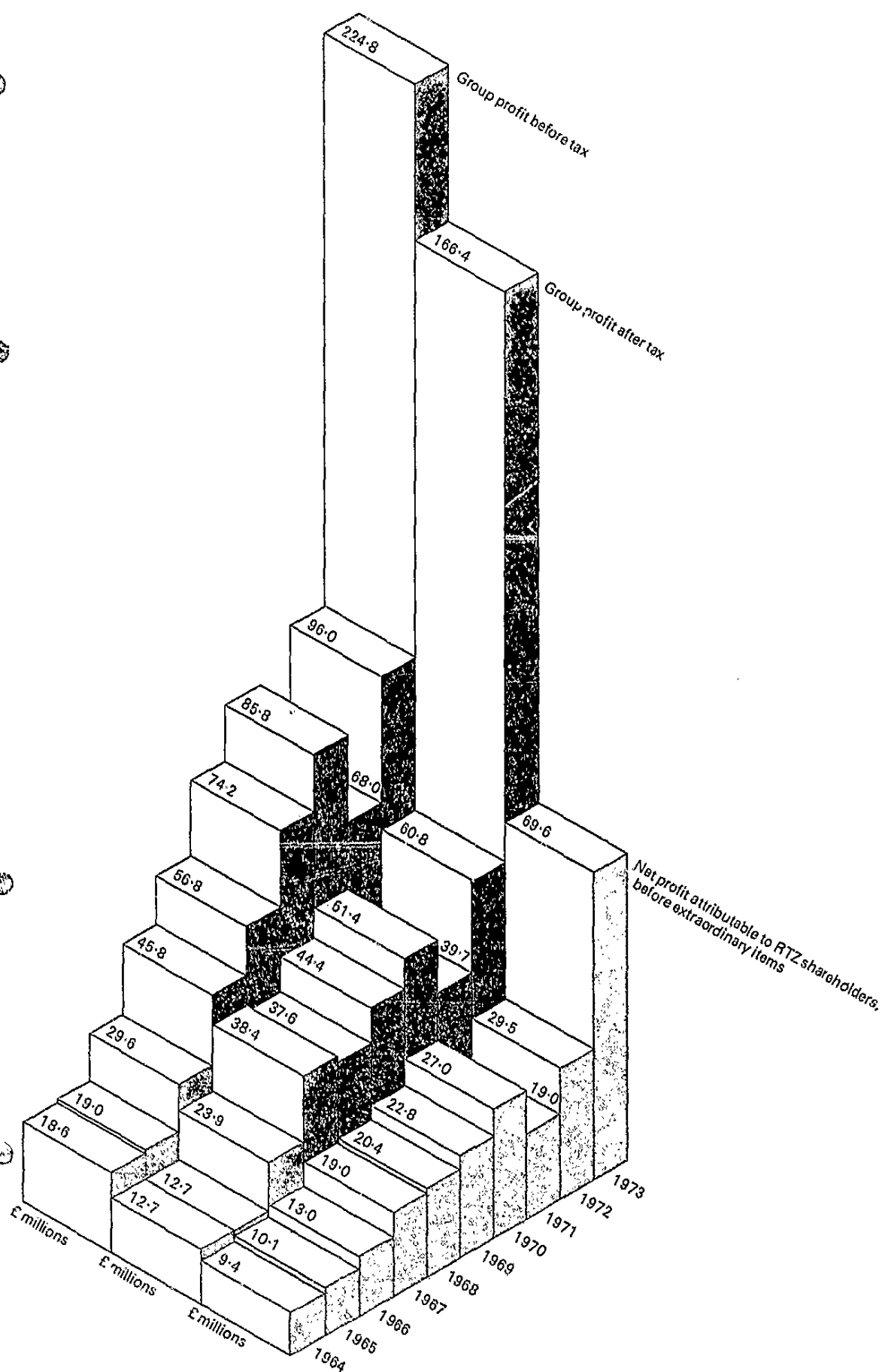
2. Withholding tax and United Kingdom corporation tax arising on distribution of profits of overseas companies are deducted in arriving at the product or geographical source of net profit attributable to RTZ shareholders.

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Profit before and after tax 1964-1973

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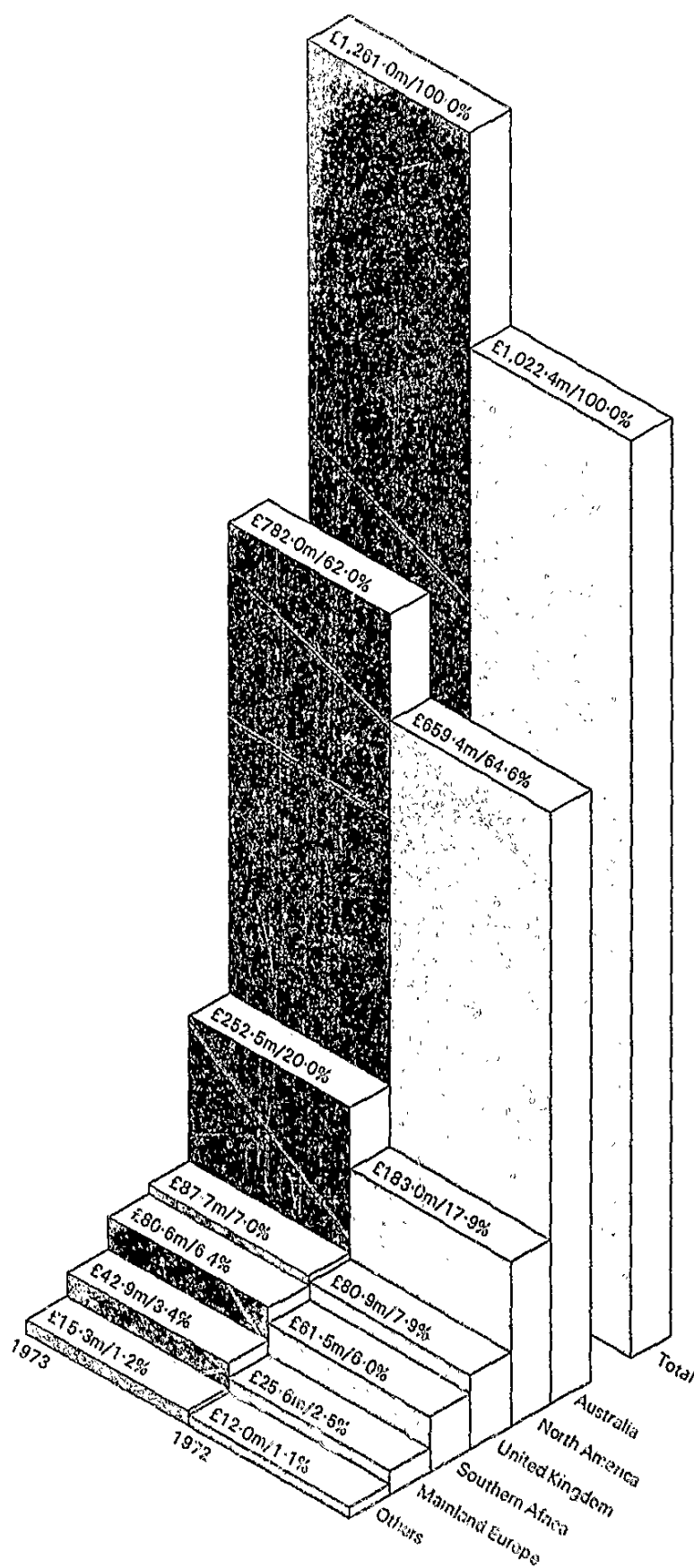


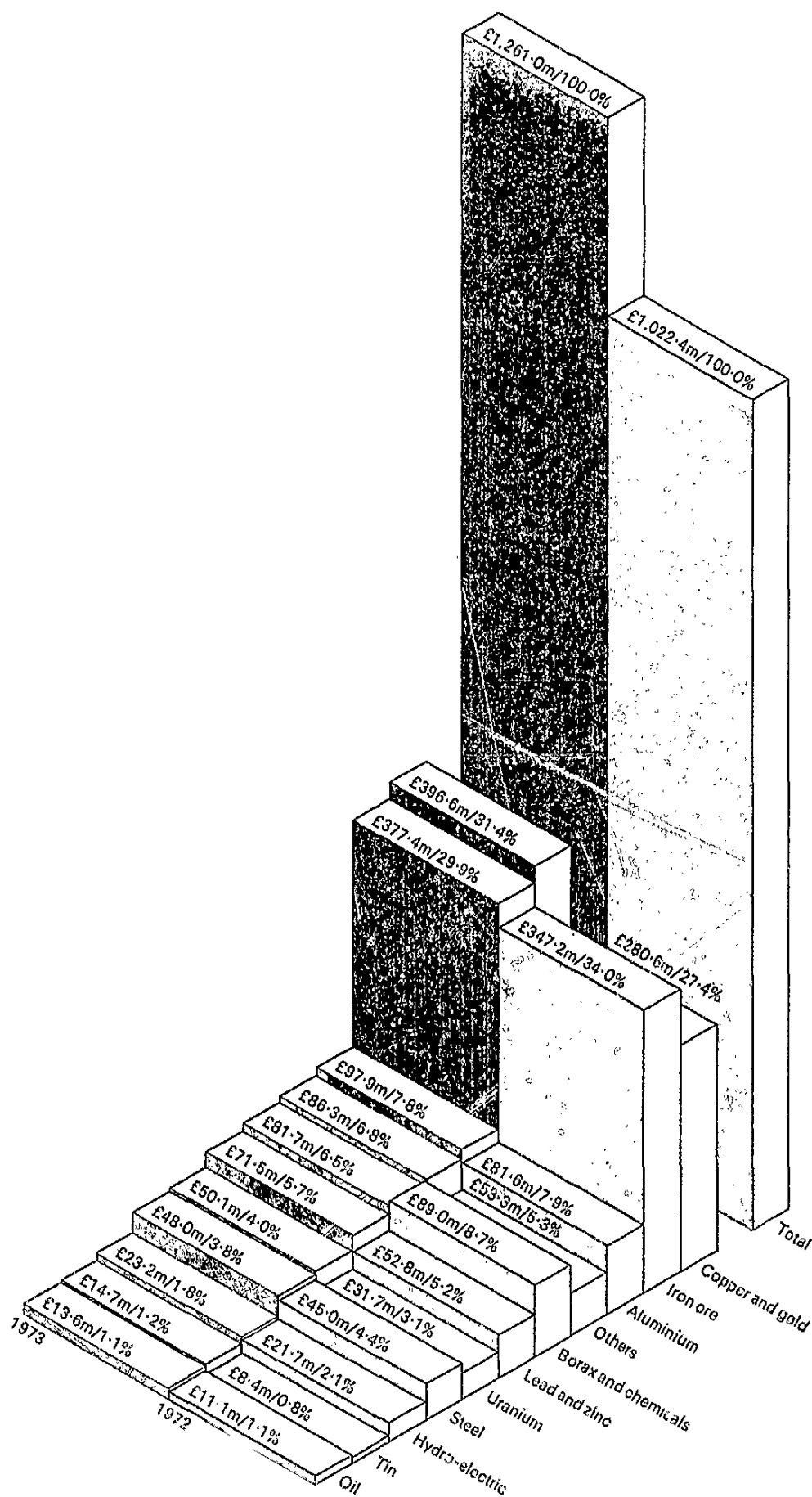
Geographical analysis of assets 1972-1973

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Note:

Assets for the purpose of geographical and product analysis are total assets employed as shown on the Group balance sheet plus the excess of market value over book value of the Group's general investments





RTZ Group principal subsidiary and associated companies as at 31 December 1973
(Note 1)

Company and country of incorporation	Class of shares held	Pro-portion of class held %	RTZ interest in equity capital %	Principal activities
Australia				
Conzinc Riotinto of Australia Limited	Ordinary shares of A50c	80.6	80.6	Holding and management company
Australian Mining & Smelting Limited	Ordinary shares of A50c	73.5	59.3	Holding and management company
The Zinc Corporation, Limited	Ordinary shares of \$A2.50	100	55.3	Lead, zinc and silver mining
New Broken Hill Consolidated Limited	Ordinary shares of A25c	100	59.3	Lead, zinc and silver mining
Sulphide Corporation Pty. Limited	Ordinary shares of \$A2	100	59.3	Zinc smelting and refining; lead smelting; sulphuric acid production
The Broken Hill Associated Smelters Proprietary Limited (Note 2)	Shares of \$A1	50	29.6	Lead smelting and refining; zinc fuming and electrolytic zinc reduction; production of sulphuric acid
Comalco Limited (Note 2)	'B' shares of A50c	100	36.3	Bauxite mining; primary aluminium smelting; aluminium fabrication
Queensland Alumina Limited (Note 2)	Shares of \$A2	12.5	15.1	Alumina production
Hamersley Holdings Limited	Ordinary shares of A25c	54	43.5	Holding company
Hamersley Iron Pty. Limited	Ordinary shares of \$A2	100	43.5	Iron ore mining
Mary Kathleen Uranium Ltd	Ordinary stock units of A25c	51	41.1	Uranium mining (operations suspended at present)
Canada				
Preston Mines Limited	Common shares of no par value	80.9	80.9	Holding company
Rio Algom Mines Limited	Common shares of no par value	59.6	51.2	Holding and management company; uranium and copper mining; stainless and specialty steel production
Lornex Mining Corporation Ltd	Common shares of Can\$1	55.2	28.3	Copper/molybdenum mining
Brinco Limited (Note 2)	Common shares of no par value	46.1	40.2	Holding and management company; mining and mineral exploration
Churchill Falls (Labrador) Corporation Limited (Notes 2 and 5)	Common shares of no par value	--	22.9	Hydro-electric power development
Allan Potash Mines	(40% participation in joint venture)			Potash mining and refining
Indal Canada Limited	Common shares of no par value	61.1	61.1	Holding and manufacturing company
Netherlands Antilles				
Rio Tinto-Zinc Finance NV	Ordinary shares of US\$1,000	100	100	Finance company
Hamersley Iron Finance NV	Shares of US\$1	100	43.5	Finance company
Papua New Guinea				
Bougainville Copper Limited	Ordinary shares of A50c	53.6	43.2	Copper mining

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Company and country of incorporation	Class of shares held	Proportion of class held %	RTZ interest in equity capital %	Principal activities
South Africa				
Rio Tinto South Africa Limited	Shares of R1	100	100	Holding and management company
Palabora Mining Company Limited	Shares of R1	64.9	38.9	Copper mining, smelting and refining; vermiculite mining; production of sulphuric acid and magnetite concentrate
Rössing Uranium Limited (Note 3)	'B' shares of 10c	63.2	60.0	Development of uranium deposit in South West Africa
The Netherlands				
Budel Zinc Plant	(50 per cent participation in joint venture)			Electrolytic zinc production
United Kingdom				
AM&S Europe Ltd	Ordinary shares of £1	100	59.3	Holding company for lead and zinc interests
Anglesey Aluminium Limited (Note 2)	Ordinary shares of £1	47	47	Production of primary aluminium
Rio Tinto Finance & Exploration Limited (Note 4)	Ordinary shares of £1	100	100	Mineral exploration; holding of short-term investments
R.T.Z. Borax Limited (Note 4)	Ordinary shares of £1	100	100	Holding and management company
R.T.Z. Europe Limited (Note 4)	Ordinary shares of £1	100	100	Holding and management company
Copper Pass and Son Limited	Ordinary shares of £1	100	100	Tin smelting and refining; production of solders and alloys
Pillar Aluminium Limited	Ordinary shares of £1	100	100	Semi-fabrication, surface finishing and distribution of aluminium in the UK
Pillar Engineering Limited	Ordinary shares of 10p	100	100	Light precision engineering, pressure die-casting, distribution of engineering and welding supplies, overhaul of aero engines and components, galvanizing and electrical contracting
R.T.Z. Pillar Europe Limited	Ordinary shares of £1	100	100	Holding company for aluminium fabricating operations in Mainland Europe including extrusion of aluminium and surface finishing and distribution of aluminium products
United States of America				
United States Borax & Chemical Corporation	Common shares of US\$1	100	100	Borax mining, refining, marketing and research

Notes

1 The Group comprises a large number of companies but it is not practicable to include all of them in this list. The list therefore includes those companies;

- which represent not less than 2 per cent of total capital employed or
- profits of which represent not less than 2 per cent of Group profit after tax.

Except where otherwise shown, all companies operate mainly in the countries in which they are incorporated.

2 Associated companies in respect of which the Group's share of profits and reserves have been included in the Group accounts are those in which RTZ holds 20 per cent or more of the ordinary shares and plays a significant part in the management of the company's affairs, or where the investment is in the nature of a partnership.

3 The Group's holding of shares in Rössing Uranium carries 30.8 per cent (1972 - 36.8 per cent) of the total voting rights.

4 Companies held directly by RTZ or its nominees. All others are held by subsidiary or associated companies of RTZ or their nominees.

5 As stated on page 32, agreement has been reached for the sale of Brinco's holding in Churchill Falls.

Directors' interests in RTZ and its subsidiaries as at 31 December 1973

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	December 1973	January 1973
Sir Val Duncan	Beneficial interests	
RTZ Ordinary shares	Nil	108,500
RTZ Accumulating shares	93,940	Nil
Options on RTZ Ordinary shares	0,222	0,222
RTZ 'B' Cum Pref shares	920	320
CRA shares	2,000	1,000
Palabora shares	1,800	1,800
RTR shares	4,600	4,600
RTS shares	3,400	3,400
Bougainville shares	16,800	15,000
	Non-beneficial (trustee holdings)	
RTZ Ordinary shares	Nil	14,200
RTZ 'B' Cum Pref shares	2,750	2,750
Bougainville shares	15,377	1,536
AM&S shares	10,281	Nil

R W Wright	Beneficial interests	
RTZ Ordinary shares	Nil	39,963
RTZ Accumulating shares	48,848	Nil
Options on RTZ Ordinary shares	Nil	8,885
CRA shares	7,410	3,705
Hammersley shares	22,050	22,050
RTR shares	1,100	1,100
RTS shares	600	600
Bougainville shares	25,780	21,484

Sir Mark Turner	Beneficial interests	
RTZ Ordinary shares	21,000	28,140
RTZ Accumulating shares	5,305	Nil
RTZ 'B' Cum Pref shares	Nil	2,300
CRA shares	500	250
Hammersley shares	10,143	10,143
RTR shares	400	400
RTS shares	400	400
Bougainville shares	9,720	8,100
	Non-beneficial (trustee holdings)	
RTZ Ordinary shares	1,835	Nil
RTZ 'B' Cum Pref shares	2,300	Nil

R J L Altham	Beneficial interests	
RTZ Ordinary shares	Nil	3,990
RTZ Accumulating shares	3,990	Nil
CRA shares	2,569	1,284
Bougainville shares	5,418	4,516
	Non-beneficial (trustee holdings)	
RTZ Ordinary shares	Nil	818
RTZ Accumulating shares	818	Nil

R D Armstrong	Beneficial interests	
CRA shares	1,800	900
Rio Algom shares	12,633	12,633
Bougainville shares	0,432	7,860

The Hon R J Ascheton	Beneficial interests	
RTZ Ordinary shares	Nil	1,000
RTZ Accumulating shares	5,040	Nil
	Non-beneficial (trustee holdings)	
RTZ Ordinary shares	674	804
RTZ Accumulating shares	420	Nil

The Hon E L Baillieu	Beneficial interests	
RTZ Ordinary shares	124	12,100
RTZ Accumulating shares	11,476	Nil
CRA shares	6,500	3,250
Hammersley shares	8,810	16,411
ICL shares	600	600
Bougainville shares	12,966	14,000
AM&S shares	7,300	Nil

The Hon E L Baillieu (continued)	Non-beneficial (trustee holdings)	
RTZ Ordinary shares	5,252	Nil
CRA shares	14,560	2,222
Hammersley shares	10,795	3,250
Bougainville shares	18,322	4,210
AM&S shares	9,180	Nil

R H Carnegie	Beneficial interests	
CRA shares	2,030	1,000
Bougainville shares	12,865	1,000
Hammersley shares	1,000	1,000
MKU stock units	1,000	1,000
AM&S shares	9,636	Nil

	Non-beneficial (trustee holdings)	
CRA shares	757,532	378,766
Bougainville shares	300,891	250,745
Hammersley shares	368,259	368,259
Hammersley debentures	A\$280,000	A\$280,000
Note: All the non-beneficial interests declared by Mr Carnegie are held by CRA Group provident and superannuation funds of which he is a trustee		

G F Coke	Beneficial interests	
RTZ Ordinary shares	740	12,332
RTZ Accumulating shares	11,592	Nil
	Non-beneficial (trustee holdings)	
RTZ Ordinary shares	3,200	7,600

D R Colville	Beneficial interests	
RTZ 'B' Cum Pref shares	1,500	1,500
Bougainville shares	325	270
	Non-beneficial (trustee holdings)	
RTZ Ordinary shares	7,740	14,480
RTZ Accumulating shares	5,720	Nil
Rio Algom shares	13	20

A G Davies	Beneficial interests	
RTZ Ordinary shares	1,400	1,400
RTZ Accumulating shares	10,400	Nil
Options on RTZ Ordinary shares	Nil	18,000
CRA shares	8,262	4,131
Hammersley shares	6,466	6,466
Bougainville shares	2,049	Nil

L A Devaux	Beneficial interests	
RTZ Ordinary shares	300	100

F F Esple	Beneficial interests	
RTZ Ordinary shares	Nil	210
RTZ Accumulating shares	210	Nil
CRA shares	3,774	1,887
Hammersley shares	1,887	1,887
ICL shares	750	750
MKU stock units	100	100
Bougainville shares	9,053	7,122
AM&S shares	342	Nil

	Non-beneficial (trustee holdings)	
Bougainville shares	300,891	250,745
CRA shares	757,532	378,766
Hammersley shares	368,259	368,259
Hammersley debentures	A\$280,000	A\$280,000
Note: All the non-beneficial interests declared by Mr Esple are held by CRA Group provident and superannuation funds of which he is a trustee during 1973.		

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	December 1973	January 1973
A G Frame	Beneficial interests	
RTZ Ordinary shares	Nil	782
RTZ Accumulating shares	782	Nil
Sir Basil Goulding	Beneficial interests	
RTZ Ordinary shares	Nil	1,128
RTZ Accumulating shares	3,094	Nil
Bougainville shares	1,966	193
AM&S shares	1,446	Nil
S Harris	Beneficial interests	
RTZ Ordinary shares	1,000	Nil
E S W Hunt	Beneficial interests	
Palabora shares	300	200
R P Lane	Beneficial interests	
RTZ Ordinary shares	Nil	328
RTZ Accumulating shares	328	Nil
CRA shares	1,000	500
Hamersley shares	4,961	4,961
Bougainville shares	5,040	4,200
M Littman	Beneficial interests	
RTZ Ordinary shares	Nil	7,508
RTZ Accumulating shares	7,508	Nil
Bougainville shares	2,400	2,000
Capt J R B Longdon	Beneficial interests	
RTZ Ordinary shares	4,112	1,512
Options on RTZ Ordinary shares	Nil	10,500
CRA shares	1,026	513
Hamersley shares	2,189	2,189
Bougainville shares	5,888	4,008
R T Madigan	Beneficial interests	
CRA shares	784	392
Hamersley shares	5,579	5,579
Bougainville shares	189	158
W D Mulholland	Beneficial interests	
RTZ Ordinary shares	1,500	1,500
CRA shares	1,910	955
Bougainville shares	3,459	7,883
J A Paterson	Beneficial interests	
RTZ Ordinary shares	Nil	23,093
RTZ Accumulating shares	23,093	Nil
Indal shares	150	150
Baron Guy de Rothschild	No interests	
The Rt Hon Lord Shackleton	Beneficial interests	
Bougainville shares	120	100
S Spiro	No interests	
Travis	Beneficial interests	
RTZ Loan stock	£650	£650
CRA shares	1,594	1,797
Bougainville shares	6,864	5,720

Notes

1 The Rt Hon Lord Shackleton and Mr A G Frame were appointed directors of RTZ on 21 March 1973 and 19 September 1973 respectively. Their respective shareholdings shown in colour are those in which they were interested as at the date of their appointment.

2 The interests shown are in accordance with the register kept by RTZ for the purposes of Section 27 of the Companies Act 1967, and are shown as at 1 January and 31 December 1973, as required by the Act. The only subsequent changes to 25 March 1974 relate to further allotments of RTZ accumulating ordinary shares made on 3 January 1974, the date of payment of the interim ordinary dividend for 1973. The effect of such allotments was to increase the holdings of accumulating ordinary shares shown as at 31 December 1973 by less than 1 per cent in each case.

Abbreviations

RTZ Ordinary shares Ordinary shares of 25p of The Rio Tinto-Zinc Corporation Limited.

RTZ Accumulating shares Accumulating Ordinary shares of 25p of The Rio Tinto-Zinc Corporation Limited.

RTZ 'B' Cum Pref shares 'B' Cumulative Preference shares of £1 of The Rio Tinto-Zinc Corporation Limited.

RTZ Loan Stock 6½ per cent Unsecured Loan Stock 1985-90 of The Rio Tinto-Zinc Corporation Limited.

AM&S shares Ordinary shares of 50c (Australian) of Australian Mining & Smelting Limited.

Bougainville shares (i) As at January 1973 Ordinary shares of 50c (Australian) of Bougainville Mining Limited (ii) As at December 1973 Ordinary shares of 50c (Australian) of Bougainville Copper Limited. Under a Scheme of Arrangement which became effective on 26 October 1973, shares in Bougainville Mining Limited were exchanged into shares in Bougainville Copper Limited on a 5 for 6 basis.

CRA shares Ordinary shares of 50c (Australian) of Conzinc Riotinto of Australia Limited. During 1973 Conzinc Riotinto of Australia Limited made a one-for-one scrip issue of Ordinary shares.

Hamersley shares Ordinary shares of 25c (Australian) of Hamersley Holdings Limited.

Hamersley debentures 8 per cent to 8.5 per cent debenture stock maturing on dates between 1978 and 1995 of Hamersley Holdings Limited.

Indal shares Common shares of no par value of Indal Canada Limited.

IOL shares Ordinary shares of 50c (Australian) of Interstate Oil Limited.

Rio Algom shares Common shares of no par value of Rio Algom Mines Limited.

Palabora shares Shares of R1 of Palabora Mining Company Limited.

RTR shares Shares of 40c (Rhodesian) of Rio Tinto (Rhodesia) Limited.

RTS shares Shares of 50c (Rhodesian) of Rio Tinto Sandawana Limited.

MKU stock units Ordinary stock units of 25c (Australian) of Mary Kathleen Uranium Ltd.

Group statement of source and application of funds for year ended 31 December 1973

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Source of funds	£ millions 1973	£ millions 1972
Generated from operations:		
Group profit after tax	166.4	60.8
Charges not requiring use of funds:		
Depreciation of fixed assets	60.0	39.1
Exploration and development expenditure written off	10.6	7.8
Pre-production and other expenditure written off	6.9	4.3
Provision for deferred tax	10.8	13.6
Miscellaneous	5.3	1.2
	<u>260.0</u>	<u>126.8</u>
Arising externally:		
Miscellaneous RTZ share issues	1.7	0.9
Proceeds of share issues in subsidiaries subscribed to by outside shareholders	3.2	8.8
Sale of fixed assets and investments	19.4	15.4
Long term loans received	43.0	89.9
Merger of Lornex net current assets (1972 -- Anglesey Aluminium no longer consolidated)	0.9	(7.7)
	<u>328.2</u>	<u>234.1</u>
Application of funds		
Expended on:		
Fixed assets	73.1	87.2
Exploration and development	13.1	10.1
Pre-production and other expenditure	3.7	4.7
Investments	16.5	8.6
Net current assets	58.6	57.7
Repayment of long term loans	100.1	37.5
	<u>265.1</u>	<u>205.8</u>
Dividends:		
To RTZ shareholders	9.0	11.5
To outside shareholders of subsidiaries	54.1	16.8
	<u>328.2</u>	<u>234.1</u>