

**EARLY WARNING REPORT PURSUANT TO
NATIONAL INSTRUMENT 62-103**

1. Name and Address of the Offeror

Rio Tinto Mining & Exploration Limited ("RTME")
2 Eastbourne Terrace
London, W2 6LG
UK

2. Designation and number or principal amount of securities and the Offeror's securityholding percentage in the class of securities of which the Offeror acquired ownership or control in the transaction or occurrence giving rise to the obligation to file the news release, and whether it was ownership or control that was acquired in those circumstances:

RTME has acquired 44,126,780 common shares of Minera IRL Limited ("IRL"), representing approximately 19.44% of the issued and outstanding common shares of IRL.

3. Designation and number or principal amount of securities and the Offeror's securityholding percentage in the class of securities immediately after the transaction or occurrence giving rise to obligation to file the news release:

See part 2.

4. Designation and number or principal amount of securities and the percentage of outstanding securities of the class of securities referred to in paragraph 3 over which:

- (a) **the Offeror, either alone or together with any joint actors, has ownership and control.**

See part 2.

- (b) **the Offeror, either alone or together with any joint actors, has ownership but control is held by other persons or companies other than the Offeror or any joint actor.**

See part 2.

- (c) **the Offeror, either alone or together with any joint actors, has exclusive or shared control but does not have ownership.**

See part 2.

5. Name of the market in which the transaction or occurrence that gave rise to the news release took place.

Not applicable.

6. **The value, in Canadian dollars, of any consideration offered per security if the Offeror acquired ownership of a security in the transaction or occurrence giving rise to the obligation to file a news release:**

CDN\$0.1790

7. **Purpose of the Offeror and any joint actors in effecting the transaction or occurrence that gave rise to the news release, including any future intention to acquire ownership of, or control over, additional securities of the reporting issuer:**

RTME acquired the common shares as consideration for entering into the 2006 option agreement related to the Ollachea Gold Project. RTME may acquire additional IRL common shares or dispose of IRL common shares in the future.

8. **General nature and the material terms of any agreement, other than lending arrangements, with respect to securities of the reporting issuer entered into by the Offeror, or any joint actor, and the issuer of the securities or any other entity in connection with the transaction or occurrence giving rise to the news release, including agreements with respect to the acquisition, holding, disposition or voting of any of the securities**

RTME acquired the common shares of IRL as part of the consideration agreed to pursuant to a 2006 option agreement related to the Ollachea Gold Project between RTME and IRL. RTME and IRL have agreed that should RTME not sell any of the common shares for a period of one year, RTME shall be entitled to a cash incentive payment.

9. **Names of any joint actors in connection with the disclosure required herein:**

Not applicable.

10. **In the case of a transaction or occurrence that did not take place on a stock exchange or other market that represents a published market for the securities, including an issuance from treasury, the nature and value, in Canadian dollars, of the consideration paid by the Offeror:**

The value of the common shares acquired by RTME in partial consideration of IRL's option to acquire the Ollachea Gold Project is equal to CDN\$7,899,576.24.

11. **If applicable, a description of any change in any material fact set out in a previous report by the entity under the early warning requirements or Part 4 in respect of the reporting issuer's securities:**

Not applicable.

12. **If applicable, a description of the exemption from securities legislation being relied on by the Offeror and the facts supporting that reliance:**

RTME understands that the common shares were issued pursuant to the accredited investor exemption contained in National Instrument 45-106 – *Prospectus and Registration Exemptions*, which is applicable because RTME is a person that has net assets of at least \$5,000,000 as shown on its most recently prepared financial statements.

DATED this 28th day of January, 2014

RIO TINTO MINING & EXPLORATION LIMITED

(Signed) “*Gemma Aldridge*”

Name: Gemma Aldridge
Title: Company Secretary