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Dr Helen Szoke
Chief Executive, Oxfam Australia
132 Leicester Street
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1 May 2015

Dear Helen,

Mining, Resettlement and Lost Livelihoods: Listening to the voices of resettled communities in Mualadzi, Mozambique

Rio Tinto acknowledges the research conducted by Oxfam Australia in partnership with the Centre for Social Responsibility (CSR) at the University of Queensland into resettlement at Mualadzi, Mozambique.

Between 2010 and 2014, Riversdale and then Rio Tinto (after acquisition of Riversdale in 2011) worked to relocate households to the resettlement community of Mualadzi under the Benga Resettlement Action Plan (RAP). The RAP was developed and implemented under the framework directed by the Government of Mozambique.

The resettlement process included financial and land compensation packages, as well as the establishment of core services (health clinic, primary school, orphanage, police services, market, water supplies and agricultural starter projects).

In October 2014, on the sale of the asset by Rio Tinto to new owners (International Coal Ventures Ltd), the resettlement process and other community obligations were also transferred. A comprehensive hand over of the RAP was included in the transition process between owners.

The research report highlights the challenges for communities, government and business associated with resettlement, which is a long term, complex process. In particular, livelihood restoration for households takes time given the multi-year nature of this process.

The research team's engagement with members of the Mualadzi community provides important insights for all stakeholders involved in resettlement, adding to the overall body of knowledge on this complex and challenging process. However, Rio Tinto's understanding of the status of some issues does differ from some of the observations and conclusions in the report.

Rio Tinto takes its responsibilities to respect human rights seriously and is committed to working to mutually beneficial outcomes with local communities.

Yours sincerely,

A handwritten signature in black ink, appearing to read 'Janina Gawler', written in a cursive style.

Janina Gawler
Global practice leader – Communities and Social Performance