RIO TINTO LTD
Form 424B3
April 14, 2009

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The information in this prospectus supplement and the accompanying prospectus is not complete and may be changed. This prospectus supplement and the accompanying prospectus are not an offer to sell these securities and are not soliciting an offer to buy these securities in any state where the offer or sale is not permitted.

SUBJECT TO COMPLETION, DATED APRIL 14, 2009

PRELIMINARY PROSPECTUS SUPPLEMENT
(To Base Prospectus dated April 14, 2009)

Filed pursuant to Rule 424(b)(3)
Registration No. 333-151839

Rio Tinto Finance (USA) Limited
U.S.$ % Notes due
U.S.$ % Notes due
Fully and unconditionally guaranteed by
Rio Tinto plc
and
Rio Tinto Limited

The U.S.$ notes due (the notes) will bear interest at % per year. Interest on the notes will be payable semi-annually in arrear on and of each year, beginning on , 2009. The notes will mature at 100% of their principal amount on , .

The U.S.$ notes due (the notes and, together with the notes, the notes) will bear interest at % per year. Interest on the notes will be payable semi-annually in arrear on and of each year, beginning on , 2009. The notes will mature at 100% of their principal amount on , .

The interest on each series of notes may be adjusted under the circumstances described under Description of Guaranteed Notes Interest Rate Adjustment .

The notes and the guarantees will be senior unsecured obligations and will rank equally with all other present and future unsecured and unsubordinated indebtedness.

The notes will be redeemable at our option or at the option of Rio Tinto plc or Rio Tinto Limited, in whole or in part, at any time at the redemption price determined in the manner described in this prospectus supplement. We may also redeem the notes at the principal amount of the notes being redeemed plus accrued interest to the date of redemption upon the occurrence of certain tax events described in this prospectus.

Upon the occurrence of a Change of Control Repurchase Event (as defined herein), unless the notes are otherwise subject to redemption in accordance with their terms and we have elected to exercise our right to redeem the notes, we will make an offer to each holder of notes comprising that series to repurchase all or any part of that holder s notes at a repurchase price in cash equal to 101% of the aggregate principal amount of notes repurchased plus any accrued and unpaid interest on the notes repurchased to the date of repurchase.

Application will be made to list the notes on the New York Stock Exchange.

Investing in the notes involves risks. See Risk Factors beginning on page S-3 of this prospectus supplement.

Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved of these securities or passed upon the adequacy or accuracy of this prospectus supplement or the accompanying prospectus. Any representation to the contrary is a criminal offense.

	Notes		Notes	
	Per Note	**Total**	**Per Note**	**Total**
Price to Public[1]	%	$	%	$
Underwriting Discount and Commissions	%	$	%	$
Proceeds, before expenses, to us[2]	%	$	%	$

Notes:

(1) Plus accrued interest from , 2009 if settlement occurs after that date.

(2) See Underwriting beginning on page S-35 of this prospectus supplement.

The underwriters expect to deliver the notes in book-entry form only through the facilities of The Depository Trust Company (DTC), against payment in New York, New York, on or about , 2009. Beneficial interests in the notes will be shown on, and transfers thereof will be effected only through, records maintained by DTC and its direct and indirect participants, including Clearstream Banking, société anonyme (Clearstream, Luxembourg) and Euroclear Bank SA/NV (Euroclear).

Joint Lead Managers and Joint Bookrunners

Deutsche Bank Securities **J.P. Morgan** **Morgan Stanley**
Credit Suisse **RBS** **Société Générale**

The date of this prospectus supplement is , 2009

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You should only rely on the information contained or incorporated by reference in the prospectus supplement and the accompanying base prospectus dated April 14, 2009 (the base prospectus). We have not, and the underwriters have not, authorized any other person to provide you with different information. If anyone provides you with different or inconsistent information, you should not rely on it. We are not, and the underwriters are not, making an offer to sell these securities in any jurisdiction where the offer or sale is not permitted. You should assume that the information appearing in the prospectus supplement, the base

prospectus and the documents incorporated by reference is accurate only as of their respective dates. Our business, financial condition, results of operations and any prospects may have changed since those dates.

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ABOUT THIS DOCUMENT

This document is in two parts. The first part is the prospectus supplement, which describes the specific terms of the notes and also adds to and updates information contained in the base prospectus and the documents incorporated by reference in the prospectus supplement and the base prospectus. The second part, the base prospectus, provides more general information about debt securities we may offer from time to time. When we refer to the prospectus, we are referring to both parts of this document combined. If the description of the notes in the prospectus supplement differs from the description in the base prospectus, the description in the prospectus supplement supersedes the description in the base prospectus.

The base prospectus contains important information regarding this offering, which is not contained in the prospectus supplement. You are urged to read the base prospectus and the prospectus supplement in full.

In this prospectus supplement, the terms we , our and us refer to Rio Tinto Finance (USA) Limited (ABN 84 062 129 551). We refer to Rio Tinto plc and Rio Tinto Limited (ABN 96 004 458 404), taken together, as Rio Tinto. We refer to Rio Tinto plc, Rio Tinto Limited and their subsidiaries, taken together, as the Rio Tinto Group. Rio Tinto Finance (USA) Limited is offering debt securities using this prospectus supplement. Both Rio Tinto plc and Rio Tinto Limited act as the guarantors for offerings by Rio Tinto Finance (USA) Limited using this prospectus supplement.

WHERE YOU CAN FIND MORE INFORMATION

We incorporate by reference the documents below filed with the Securities and Exchange Commission (the SEC) by Rio Tinto plc and Rio Tinto Limited pursuant to the Exchange Act of 1934 (the Exchange Act).

(i) Annual Report on Form 20-F of Rio Tinto plc and Rio Tinto Limited for the year ended December 31, 2008 filed with the SEC on April 2, 2009;

(ii) Item 8 of the Annual Report on Form 10-K of Alcan for the year ended December 31, 2006 filed with the SEC on March 1, 2007;

(iii) any reports on Form 6-K filed or furnished by Rio Tinto plc or Rio Tinto Limited pursuant to the Exchange Act that expressly state that we incorporate them by reference; and

(iv) any reports filed or furnished under Section 13(a), 13(c) or 15(d) of the Exchange Act.

You can obtain copies of any of the documents incorporated by reference through Rio Tinto or the SEC. Documents incorporated by reference are available without charge, excluding all exhibits unless an exhibit has been specifically incorporated by reference into this prospectus. You may obtain Rio Tinto documents incorporated by reference into this prospectus, at no cost, by requesting them in writing or by telephone at the following addresses and telephone numbers:

Rio Tinto Limited	Rio Tinto plc
Level 33	2 Eastbourne Terrace
120 Collins Street	London W2 6LG
Melbourne, Victoria 3000	United Kingdom
Australia	011-44-20-781-2000

011-61-3-9283-3333

FORWARD-LOOKING STATEMENTS

This prospectus contains and incorporates by reference certain forward looking statements with respect to the financial condition, results of operations and business of the Rio Tinto Group. The words intend , aim , project , anticipate , estimate , plan , believes , expects , may , should , will , or similar expressions, commonly identify such forwa statements.

Examples of forward looking statements contained in or incorporated by reference in this prospectus include those regarding estimated ore reserves, anticipated production or construction dates, costs, outputs and productive

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lives of assets or similar factors. Forward looking statements involve known and unknown risks, uncertainties, assumptions and other factors set forth in this document that are beyond the Group s control. For example, future ore reserves will be based in part on market prices that may vary significantly from current levels. These may materially affect the timing and feasibility of particular developments. Other factors include the ability to produce and transport products profitably, demand for our products, the effect of foreign currency exchange rates on market prices and operating costs, and activities by governmental authorities, such as changes in taxation or regulation, and political uncertainty.

In light of these risks, uncertainties and assumptions, actual results could be materially different from projected future results expressed or implied by these forward looking statements which speak only as at the date of this report. Except as required by applicable regulations or by law, the Group does not undertake any obligation to publicly update or revise any forward looking statements, whether as a result of new information or future events. The Group cannot guarantee that its forward looking statements will not differ materially from actual results.

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RISK FACTORS

An investment in the notes involves risks. Prior to making a decision about investing, you should carefully consider, among other matters, the following risk factors, as well as those included in the base prospectus under Risk Factors and those incorporated by reference in other filings we may make from time to time with the SEC.

Risks relating to Rio Tinto

The recent significant reduction in commodity prices and global demand for the Group s products have had, and are expected to continue to have, a material adverse impact on the Group s business, financial condition and results of operations

Commodity prices, and demand for the Group s products, are cyclical and influenced strongly by world economic growth, particularly in the United States and Asia (notably China). The Group s normal policy is to sell its products at prevailing market prices and not to enter into hedging arrangements relating to changes or fluctuations in such prices. Commodity prices have significantly declined recently and prices can fluctuate widely. Such fluctuations have impacted the Group s recent trading and could have a material adverse impact on the Group s revenues, earnings, cash flows, asset values and growth in the future. As a result of difficult market and general economic conditions (which may be long lasting and continue to deepen), there has also been reduced direct and indirect demand for the Group s products and these declines have had, and are expected to continue to have, a material adverse impact on the Group s revenues, earnings, cash flows, asset values and growth.

China is an important source of demand for the Group s products and a reduction in the imports of the Group s products by Chinese customers has had, and may continue to have, a material adverse effect on the Group s results of operations

As a result of the increasing importance of China as a source of demand for its products, in particular iron ore, the Group has recently been, and may continue to be, adversely affected by a reduction in the importation of its products by Chinese customers. In part as a result of weak demand from the slowing global economy, China s economy grew at a slower rate in 2008 than in prior years. China remains the world s largest importer of iron ore but the reduction in the growth rate of the Chinese economy and the sharp decline in Chinese steel output since October 2008 has contributed to a contraction in Chinese demand. Although the Group s iron ore is predominantly sold to Chinese customers at fixed prices rather than at spot rates, these prices are subject to annual negotiations and the Group may not be able to negotiate favourable pricing when it renegotiates its annual iron ore contracts in the first half of 2009. In addition, if the Group s Chinese iron ore customers are successful in sourcing iron ore domestically or from the Group s competitors (particularly if volatility in the freight market impacts the competitiveness of the Group s supply of iron ore), the Group may experience further weakened demand for its iron ore.

The slowdown of China s economy has also contributed to a contraction in demand and lower pricing for copper and aluminium. If Chinese customers demand for external sources of the Group s products continues to weaken or does not recover, or Chinese customers source such products from the Group s competitors, the Group s business, results of operations, financial condition and prospects could continue to be materially adversely affected.

Failure to progress the divestment programme, complete the strategic partnership with Chinalco or raise additional capital from alternative sources may lead to the renegotiation of the Group s U.S.$40 billion syndicated credit facilities on more onerous terms

In July 2007, in connection with its acquisition of Alcan, the Group entered into syndicated credit facilities of up to U.S.$40 billion, which have principal repayments falling due in October 2009, October 2010, October 2012 and December 2012. Following the acquisition, the Group announced its intention to reduce this debt by divesting some of its existing assets as well as the Packaging and Engineered Products units of Rio Tinto Alcan. In November 2007, the Group announced its intention to achieve at least U.S.$15 billion of divestments and divested U.S.$2.6 billion at favourable prices in the first half of 2008. Deteriorating market conditions in the second half of 2008 and continued severe dislocation in global markets, made it increasingly difficult for buyers to raise finance to purchase Group assets. In October 2008, the Group announced it would review its 2008 targeted divestments given market conditions and made a further announcement about its targeted divestments on December 12, 2008.

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On February 12, 2009 the Group announced that it had entered into a transaction with Chinalco to forge a strategic partnership through the creation of joint ventures and the issuance of convertible bonds. The transaction is subject to the approval by Rio Tinto shareholders, governments and regulators.

The timing and proceeds of divestments and the completion of the transaction with Chinalco are subject to uncertainty. The Group cannot anticipate when it will be able to reduce its borrowings through further asset divestments, if at all or be certain that the transaction with Chinalco will receive all requisite approvals or complete in a timely manner. If the Group is unable to access sufficient funds, to make the repayments under its credit facilities, it may not be able to fulfil its repayment obligations or may need to find an alternate source of financing, which may be on more onerous terms. The occurrence of any of these events may have a material adverse effect on the Group s business, results of operations, financial condition, prospects and share prices.

In addition, if the transaction with Chinalco does not complete it will result in the Group having to consider other strategic and financing options and under certain circumstances may result in the Group paying a break fee of U.S.$195 million to Chinalco.

Adverse economic and credit market conditions have materially adversely affected, and may continue to materially adversely affect, the Group s ability to raise additional debt or equity

At the time of the acquisition of Alcan, it was the Group s intention to repay a portion of the U.S.$40 billion Alcan credit facilities through the issuance of bonds. Accordingly, the Group issued a series of bonds in June 2008, and the aggregate net proceeds were applied in partial prepayment of the credit facilities maturing in October 2009. Deteriorating conditions in the credit markets since June 2008 have restricted the Group s ability to access the credit markets on a commercially acceptable basis.

The Group s ability to raise additional debt and/or equity financing will also continue to be significantly influenced by, among other things, general economic conditions, developments in the credit markets, volatility in the equity markets, investors desire to maintain cash and to assume additional levels of risk and the Group s credit rating. If economic and credit conditions do not improve, the Group may not be able to raise debt and/or equity finance on attractive terms, or at all, and it may need to seek further financing from alternative sources. Alternative financing may also be on unfavourable terms. As a result, the Group s business, results of operations, financial condition and prospects could be materially adversely affected.

The Group s borrowing costs and its access to the debt capital markets depend both on its long term credit ratings, (which were recently downgraded), and on interest rate levels

In December 2008, Moody s downgraded the long term ratings of the Group from A3 to Baa1 and S&P downgraded its long term ratings from BBB+ to BBB and its short term corporate credit ratings from A-2 to A-3. Both Moody s and S&P have retained a negative outlook in respect of its ratings and may downgrade the ratings of the Group again. Any current or future downgrades by credit rating agencies may increase the Group s financing costs and limit or eliminate its access to the debt capital markets. Following the announcement of the strategic alliance with Chinalco, Moody s placed the group under a review for possible downgrade at the same time affirming the Prime-2 short term ratings. S&P reaffirmed the BBB rating and upon successful completion of the transaction may revise the outlook to stable from negative.

Increases in interest rates are likely to increase the interest cost associated with the Group s debt, 73% of which is floating rate debt, and will increase the cost of future borrowings, which could affect the Group s earnings and financial position.

Failure of the Group to make successful acquisitions and to effectively integrate its acquisitions could have a material adverse impact on the Group s business and results of operations

Business combinations entail a number of risks, including the ability of management to integrate effectively the businesses acquired with its existing operations (including the realisation of synergies), significant one time write offs or restructuring charges, difficulties in achieving optimal tax structures, and unanticipated costs. All of these may be exacerbated by the diversion of management s attention away from other ongoing business concerns.

The Group may also be liable for the past acts, omissions or liabilities of companies or businesses it has acquired, which may be unforeseen or greater than anticipated at the time of the relevant acquisition. Deterioration or reduced demand for the Group s products could impact the Group s estimated post tax synergies for the Alcan acquisition and have a material adverse impact on the Group s results of operations.

The Group s results of operations could be materially adversely affected by the impairment of assets and goodwill

An asset impairment charge may result from the occurrence of unexpected adverse events that impact the Group s estimates of expected cash flows generated from its assets. The Group was recently required and may again be required to recognise asset impairment charges, as a result of impairment indicators which could include a weak economic environment, challenging market conditions, fluctuations in long term commodity prices, changes to long term mine plans, mining properties and to characteristics of orebody (including the expected life of the orebody). The deteriorating global economic outlook and declines in commodity prices are likely to reduce the recoverable amount of the Group s cash generating units and therefore may increase the Group s impairment charges in the future.

In accordance with IFRS, the Group does not amortise goodwill but rather tests it annually for impairment. Goodwill impairments cannot be reversed. The Group tested goodwill arising from the Alcan acquisition for impairment and recorded a goodwill impairment charge of U.S.$6.6 billion for the year ended 31 December 2008.

In November 2007, the Group initially determined goodwill based on provisional fair values, and finalised the fair value determinations within 12 months of the date it acquired Alcan. Following this determination, the Group adjusted the value of goodwill arising from the Alcan acquisition to U.S.$20.1 billion.

The Group will continue to test goodwill and may, in the future, record additional impairment charges. This could result in the recognition of impairment losses which could be significant and which could have a material adverse effect on the Group s results of operations.

Rio Tinto is exposed to fluctuations in exchange rates that could have a material adverse impact on the results of its operations

The majority of the Group s sales are denominated in U.S. dollars. The Group also finances its operations and holds surplus cash primarily in U.S. dollars. Given the dominant role of the U.S. dollar in the Group s operations it is the currency in which its results are presented both internally and externally. The Group also incurs costs in U.S. dollars but significant costs are influenced by the local currencies of the territories in which its ore reserves and other assets are located. These currencies are principally the Australian dollar, Canadian dollar and Euro. The Group s normal policy is not to enter into hedging arrangements relating to changes or fluctuations in foreign exchange rates. As a result, if there is an appreciation in the value of these currencies against the U.S. dollar or prolonged periods of exchange rate volatility these changes may have a material adverse impact on the Group s results of operations.

If the Group does not significantly reduce its business and operating costs, its business and results of operations may suffer materially

On December 10, 2008, the Group announced that it had undertaken a review of its controllable operating expenditure and intended to reduce operating and functional costs by at least U.S.$2.5 billion per annum by the end of 2010 based on 2008 production rates and constant exchange rates and oil prices. To achieve this targeted reduction, the Group intends to reduce global headcount by approximately 14,000 roles. However, as a result of continuing market conditions, the Group may need to reduce operating expenditure further. The Group also intends to consolidate some of its offices, accelerate the outsourcing and off-shoring of IT and procurement and defer certain exploration and evaluation expenditure. If the Group experiences delays in implementing these measures or if the Group does not

realise the cost savings or operating efficiencies it anticipates, this could have a material adverse effect on the Group s results of operations.

In the event that demand subsequently increases and the Group seeks to raise production levels to respond, its ability to take advantage of the increased demand may be constrained and operating costs may increase significantly, which could have a material adverse effect on the Group s business and results of operations.

The Group s business and growth prospects may be negatively impacted by reductions in its capital expenditure programme

The Group requires substantial capital to invest in greenfield and brownfield projects and to maintain and prolong the life and capacity of its existing mines. The recently announced reductions in capital expenditure relate to the cancellation of, or slowing work on, certain projects and the deferral of others until at least the Group is satisfied that market conditions and commodity prices have sufficiently recovered and sufficient cash for investment is available. The Group may reduce its capital expenditure further in light of various considerations such as expected global demand for its products, the level of commodity pricing and the Group s resources, which may negatively impact the timing of the Group s growth and future prospects.

If commodity markets improve, the Group s ability to take advantage of that improvement may be constrained by earlier capital expenditure restrictions and the long term value of its business could be adversely impacted.

The Group s position in relation to its competitors may also deteriorate.

Competitors may have sufficient funds or access to capital and be better positioned to respond quickly to changes in commodity prices or market conditions generally.

The Group may also need to address commercial and political issues in relation to its reductions in capital expenditure in certain of the jurisdictions in which it operates. If the Group s interest in its joint ventures is diluted or it loses key concessions or if it is prevented from reducing capital expenditure commitments in the relevant jurisdiction, its growth could be constrained. Any of the foregoing could have a material adverse effect on the Group s business, results of operations, financial condition and prospects.

The Group s exploration and development of new projects might be unsuccessful, expenditures may not be fully recovered and depleted ore reserves may not be replaced

The Group develops new mining properties and expands its existing operations as a means of generating shareholder value. The Group seeks to identify new mining properties through its exploration programme. The Group has also undertaken the development or expansion of other major operations. There is no assurance, however, that such expenditure will be recouped or that depleted ore reserves will be replaced.

Political, legal and commercial instability or community disputes in the countries and territories in which the Group operates could affect the viability of its operations

The Group has operations in jurisdictions with varying degrees of political, legal and commercial stability. Administrative change, policy reform, changes in law or governmental regulations can result in civil unrest, expropriation, or nationalisation. Renegotiation or nullification of existing agreements, leases and permits, changes in fiscal policies (including increased tax or royalty rates) or currency restrictions are all possible consequences. Commercial instability caused by bribery and corruption in their various guises can lead to similar consequences. The consequences of such instability or changes could have a material adverse effect on the profitability, the ability to finance or, in extreme cases, the viability of an operation.

Some of the Group s current and potential operations are located in or near communities that may regard such an operation as having a detrimental effect on their environmental, economic or social circumstances. The consequences of community reaction could also have a material adverse impact on the cost, profitability, ability to finance or even the viability of an operation. Such events could lead to disputes with national or local governments or with local communities and give rise to material reputational damage. If the Group s operations are delayed or shut down as a result of political and community instability, its revenue growth may be constrained and the long term value of its business could be adversely impacted.

The Group s land and resource tenure could be disputed resulting in disruption and/or impediment in the operation or development of a resource

The Group operates in several countries where title to land and rights in respect of land and resources (including indigenous title, particularly in Australia and Canada) may be unclear and may lead to disputes over resource development. Such disputes could disrupt or delay relevant mining projects and/or impede the Group s ability to develop new mining properties and may have a material adverse effect on the Group s results of operations and/or prospects.

The Group s operations are resource intensive and changes in the cost and/or interruptions in the supply of energy, water, fuel or other key inputs could adversely affect their economic viability

The Group s operations are resource intensive and, as a result, its costs and net earnings may be adversely affected by the availability or cost of energy, water, fuel or other key inputs. If the current downward trend in energy prices reverses, carbon trading schemes or carbon taxes begin to apply to the Group s operations or if the Group experiences interruptions in, or constraints on, its supply of energy, water, fuel or other key inputs, the Group s costs could increase and its results could be materially adversely affected.

Increased regulation of greenhouse gas emissions could adversely impact the Group s cost of operations. Rio Tinto s smelting and mineral processing operations are energy intensive and depend heavily on fossil fuels

Increasing regulation of greenhouse gas emissions, including the progressive introduction of carbon emissions trading mechanisms and tighter emission reduction targets, in numerous jurisdictions in which the Group operates is likely to raise energy costs and costs of production to a material degree over the next decade. Regulation of greenhouse gas emissions in the jurisdictions of the Group s major customers and in relation to international shipping could also have an adverse effect on the demand for the Group s products.

Estimates of ore reserves are based on certain assumptions and so changes in such assumptions could lead to reported ore reserves being restated

There are numerous uncertainties inherent in estimating ore reserves (including subjective judgments and determinations based on available geological, technical, contracted and economic information) and assumptions that are valid at the time of estimation may change significantly when new information becomes available. Changes in the forecast prices of commodities, exchange rates, production costs or recovery rates may result in the reserves ceasing to be economically viable. This may, ultimately, result in the reserves needing to be restated. Such changes in reserves could also impact depreciation and amortisation rates, asset carrying values, deferred stripping calculations and provisions for close down, restoration and environmental clean up costs.

The Group s net earnings are sensitive to the assumptions used for valuing defined benefit pension plans and post retirement healthcare plans

Certain of the Group s businesses sponsor defined benefit pension plans. The pension expense reported in respect of those plans is sensitive to the assumptions used to value the pension obligations and also to the underlying economic conditions that influence those assumptions. Changing economic conditions and in particular poor pension investment returns may require the Group to make substantial cash contributions to these pension plans. Actual investment returns achieved compared to the amounts assumed within the Group s reported pension expense was as follows:

	2008	2007	2006	2005	2004
	(U.S. $ millions)				
Expected return on plan assets	1,000	550	326	306	263
Actual return on plan assets	(2,910)	442	664	529	650
Difference between the expected and actual return on plan assets:					
(loss)/gain	(3,910)	(108)	338	223	387
Difference as a percentage of plan assets	(37)%	(1)%	6%	4%	8%

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As at December 31, 2008, the Group had recorded pension liabilities (on an IAS19 accounting basis) of U.S.$13.1 billion and assets of U.S.$10.5 billion. After excluding those pension arrangements deliberately operated as unfunded arrangements, representing liabilities of U.S.$0.9 billion, the global funding level for pension liabilities (on an IAS19 basis) was approximately 86%. If the funding level materially deteriorates further cash contributions from the Group may be needed, subject to local requirements.

The long term credit ratings of the Group were downgraded in December 2008. See earlier risk factor relating to credit ratings. If the Group s long term credit ratings are downgraded by Moody s by another two levels to Baa3, Rio Tinto would be required to make a one off cash payment to the Rio Tinto Pension Fund (UK) to bring the funding level up to 100% on the funding basis agreed with the trustees, or offer an alternative form of security. As at 31 December 2008, the funding deficit was estimated to be £108 million (U.S.$156 million). If the Group is required to make such substantial cash contributions to its pension plans, its financial position and results could be adversely affected.

Labour disputes could lead to lost production and/or increased costs

Some of the Group s employees, including employees in non managed operations, are represented by labor unions under various collective labor agreements. The Group may not be able to satisfactorily renegotiate its collective labor agreements when they expire and may face tougher negotiations or higher wage demands than would be the case for non unionized labor. In addition, existing labor agreements may not prevent a strike or work stoppage at its facilities in the future, and any strike or other work stoppage could have a material adverse effect on the Group s earnings and financial condition.

The Group is dependent on the continued services of key personnel

The Group s ability to maintain its competitive position and to implement its business strategy is dependent on the services of its personnel, including key engineering, managerial, financial, commercial, marketing and processing personnel and the maintenance of good labor relations. The loss or diminution in the services of such key personnel, particularly as a result of a reduction in headcount, an inability to attract and retain additional staff, or if the Group does not have a competitive remuneration structure, could have a material adverse effect on the Group s business, financial condition, results of operations and prospects.

Competition for personnel with relevant expertise and experience of international best practice in certain of the jurisdictions in which the Group operates, especially for positions in engineering, mining, metallurgy and geological sciences, is intense due to the small pool of qualified individuals and strong demand for such individuals. This may affect the Group s ability to retain its existing senior management, marketing and technical personnel and attract additional qualified personnel on appropriate terms or at all.

Some of the Group s technologies are unproven and failures could adversely impact costs and/or productivity

The Group has invested in and implemented information systems and operational initiatives. Some aspects of these technologies are unproven and the eventual operational outcome or viability cannot be assessed with certainty. Accordingly, the costs, productivity and other benefits from these initiatives and the consequent effects on the Group s future earnings and financial results may vary widely from present expectations. If the Group s technology system fails to realise the anticipated benefits, there is no assurance that this would not result in increased costs, interruptions to supply continuity, failure for the Group to realise its production or growth plans or some other adverse affect on operational performance.

The Group s mining operations are vulnerable to natural disasters, operating difficulties and infrastructure constraints that could have a material impact on its productivity and not all of which are covered by insurance

Mining operations are vulnerable to natural disasters, including earthquakes, drought, floods, fire, tropical storms and the physical effects of climate change. Operating difficulties, such as unexpected geological variations that could result in significant failure, could affect the costs and viability of its operations for indeterminate periods. Furthermore,

downstream activities such as smelting and refining are dependent upon mine production. The Group s insurance coverage can provide protection from some, but not all, of the costs that may arise from unforeseen events.

The Group requires reliable roads, rail networks, ports, power sources and water supplies to access and conduct its operations. The availability and cost of this infrastructure affects capital and operating costs and the Group s ability to maintain expected levels of production and sales. In particular, the Group transports a large proportion of its products by sea. The Group competes with a number of other exporters for limited storage and berthing facilities at ports, which can result in delays in loading the Group s products and expose the Group to significant delivery interruptions.

Limitations, or interruptions in, rail or shipping capacity at any port, including as a result of third parties gaining access to the Group s integrated infrastructure, could impede the Group s ability to deliver its products on time. This could have a material adverse effect on the Group s business, results of operations, financial condition and prospects.

The Group s insurance does not cover every potential risk associated with its operations. Adequate coverage at reasonable rates is not always obtainable. In addition, the Group s insurance may not fully cover its liability or the consequences of any business interruptions such as equipment failure or labor dispute. The occurrence of a significant adverse event not fully or partially covered by insurance, could have a material adverse effect on the Group s business, results of operations, financial condition and prospects.

The Group s costs of close down and restoration, and for environmental clean up, could be higher than expected due to unforeseen changes in legislation, standards and techniques. Underestimated or unidentified costs could have a material adverse impact on the Group s reputation and results of operations

Close down and restoration costs include the dismantling and demolition of infrastructure and the remediation of land disturbed during the life of mining and operations. Estimated costs are provided for over the life of each operation based on the net present value of the close down and restoration costs. The estimated costs are updated annually but the provisions might prove to be inadequate due to changes in legislation, standards and the emergence of new restoration techniques. Furthermore the expected timing of expenditure could change significantly due to changes in commodity prices which might substantially curtail the life of an operation. The total provisions as at December 31, 2008 amounted to U.S.$6,011 million (2007 restated: U.S.$6,228 million). These provisions could, however, be insufficient in relation to the actual cost of restoration or the cost of remediating or compensating damage including to land or other elements of the environment outside the site boundary. Any underestimated or unidentified close down and restoration costs could have a material and adverse impact on the Group s reputation as well as its asset values, earnings and cash flows.

Joint ventures and other strategic partnerships may not be successful and non managed projects and operations may not comply with the Group s standards and as a consequence may adversely affect its reputation and the value of such projects and operations

The Group participates in several joint venture arrangements and it may enter into further joint ventures in the future. Although the Group has, in relation to its existing joint ventures, sought to protect its interests, joint ventures necessarily involve special risks. Whether or not the Group holds majority interests or maintains operational control in its joint ventures, its partners may:

- have economic or business interests or goals that are inconsistent with or opposed to those of the Group;
- exercise veto rights so as to block actions that the Group believes to be in its or the joint venture s best interests;
- take action contrary to the Group s policies or objectives with respect to its investments; or

as a result of financial or other difficulties, be unable or unwilling to fulfil their obligations under the joint venture or other agreements, such as contributing capital to expansion or maintenance projects.

Where projects and operations are controlled and managed by the Group s partners, the Group may provide expertise and advice, but it has limited control with respect to compliance with its standards and objectives. Improper management or ineffective policies, procedures or controls could adversely affect the value of the related

non managed projects and operations and, by association, damage the Group s reputation and thereby harm the Group s other operations and access to new assets.

Health, safety, environmental and other regulations, standards and expectations evolve over time and unforeseen changes could have an adverse effect on the Group s earnings and cash flows

Rio Tinto operates in an industry that is subject to numerous health, safety and environmental laws, regulations and standards as well as community and stakeholder expectations. The Group is subject to extensive governmental regulations in all jurisdictions in which it operates. Operations are subject to general and specific regulations governing mining and processing, land tenure and use, environmental requirements (including site specific environmental licences, permits and statutory authorisations), workplace health and safety, social impacts, trade and export, corporations, competition, access to infrastructure, foreign investment and taxation. Some operations are conducted under specific agreements with respective governments and associated acts of parliament but unilateral variations could diminish or even remove such rights. Evolving regulatory standards and expectations can result in increased litigation and/or increased costs, all of which can have a material and adverse effect on earnings and cash flows.

Risks relating to the Chinalco transaction

The Chinalco transaction as a whole is conditional and the conditions may not be satisfied

Completion of the transaction with Aluminium Corporation of China (Chinalco) described in Chinalco is subject to certain conditions, including approval from Rio Tinto s shareholders and the receipt of governmental and regulatory clearances. The timing of completion of the Chinalco transaction is also subject to uncertainty. In addition, the principal strategic alliance investments by Chinalco and the issue of convertible bonds to Chinalco are inter-conditional. This means that the failure to satisfy any of the conditions in relation to those investments or the issue of the convertible bonds will mean that the transaction as a whole will not proceed.

If the Chinalco transaction does not proceed, whether because Rio Tinto s shareholders do not approve it, because any other condition to the transaction is not satisfied or otherwise, Rio Tinto cannot anticipate when it will be able to reduce its borrowings through further asset divestments, if at all. Further, Rio Tinto cannot be certain that the Chinalco transaction will complete in a timely manner. If, as a result of the Chinalco transaction failing to complete at all or in a timely manner, the Group is unable to access sufficient funds to make the proposed prepayments under its credit facilities, it may not be able to fulfil its repayment obligations or may need to seek to raise additional capital from capital market sources, including through the issuance of additional equity, debt financing or other credit market activities. There can be no assurance that additional capital will be available at all or available on acceptable terms or in sufficient amounts.

If exercised, Chinalco s convertible bonds will result in its shareholding in the Group increasing to a level that allows it to exercise a greater degree of influence or control over Group strategy than is currently assumed

If the transaction with Chinalco is completed and Chinalco subsequently converts its bonds, Chinalco will increase its existing shareholding in Rio Tinto plc and Rio Tinto Limited. Based on the current numbers of publicly held shares, if Chinalco were to convert all such bonds, it would have a shareholding in Rio Tinto plc and Rio Tinto Limited of 19.0% and 14.9%, respectively. This would represent 18.0% of the publicly held share capital of the Group, enabling it to exercise a greater degree of influence over matters requiring shareholder approval, shareholder acceptances of third party offers and the approval of significant corporate transactions. Under the terms of the relationship agreement to be entered into between Rio Tinto and Chinalco, Chinalco would also be entitled to nominate two new non-executive board members (one of whom is required to be independent under applicable corporate governance

criteria).

The strategic alliances with Chinalco may not realise the anticipated benefits for the Group

Certain aspects of the strategic alliances forming part of the transaction with Chinalco relate to identified areas of potential future cooperation, the identification of suitable opportunities and/or projects, and/or are subject to further agreement. As a result, these aspects of the strategic alliances may not realise any or all of their anticipated

benefits. In particular, the Group may fail to realise the anticipated benefits from Chinalco s strong relationships within China, which include, among others, gaining access (whether on favourable terms or at all) to project development funding from Chinese financial institutions, or may fail to realise benefits from joint venture and project development opportunities in emerging economies in general, and in China in particular. The failure to realise any or all of the anticipated benefits of the strategic alliances, including the failure to receive the anticipated levels of capital injections, or success by any of Rio Tinto s competitors in concluding similar relationships may have a material adverse effect on the Group s business, results of operations, financial condition or prospects.

Implementation of the transaction with Chinalco will be complex and the Group may be unable to manage it as effectively as it intends

The Chinalco transaction requires the Group to reorganise the holding structures for a number of its assets and to enter into a series of joint ventures. The implementation of the joint ventures and ongoing compliance with the joint venture terms will present challenges to management, including the introduction of changes in business processes to facilitate arm s length relationships with other Group businesses which are not the subject of joint ventures, possible unanticipated liabilities difficulties in achieving an optimal tax structure, and/or unanticipated costs. In addition, management s resources may be diverted away from core business activities due to personnel being required to assist in the implementation process. Failure to successfully manage such challenges may adversely affect the Group s costs, earnings and cash flows.

The Chinalco transaction may impact on future regulatory processes

Chinalco is a state-owned enterprise, and would continue to be a major shareholder in Rio Tinto following implementation of the Chinalco transaction. Regulators may consider this to be a relevant factor in assessing future transactions that the Group undertakes or, where applicable, in assessing existing concessions or authorities that may be reviewed.

Risks relating to the notes

Proceeds the Group receives from divestments or from the issuance of equity or other debt will generally not be available for the payment of principal and interest on the notes

In July 2007, in connection with its acquisition of Alcan, the Group entered into syndicated credit facilities of up to U.S.$40 billion, which have principal repayments of U.S.$8.9 billion falling due in October 2009, with the remaining repayments falling due in October 2010, October 2012 and December 2012. The syndicated credit facilities contain certain covenants, including a covenant which requires the Group, to apply any cash or cash equivalent proceeds it receives in connection with an asset sale in prepayment and cancellation of the tranches of the syndicated credit facilities due in October 2009 and October 2010. The Group must also apply any proceeds from the issuance of equity, debt or other types of capital markets indebtedness in prepayment and cancellation of those tranches. Any proceeds the Group receives from divestments or from the issuance of equity or other debt will generally not be available for the payment of principal and interest on the notes.

Since Rio Tinto plc and Rio Tinto Limited are holding companies and currently conduct their operations through subsidiaries, your right to receive payments on the guarantees is subordinated to the other liabilities of their subsidiaries

Rio Tinto plc and Rio Tinto Limited are organized as holding companies, and substantially all of their operations are carried on through subsidiaries. Their principal source of income is the dividends and distributions they receive from their subsidiaries. The ability of Rio Tinto plc and Rio Tinto Limited to meet their financial obligations is dependent

upon the availability of cash flows from their domestic and foreign subsidiaries and affiliated companies through dividends, intercompany advances, management fees and other payments. These subsidiaries and affiliated companies are not required and may not be able to pay dividends or make distributions to Rio Tinto plc and Rio Tinto Limited. Claims of the creditors of the subsidiaries of Rio Tinto plc and Rio Tinto Limited have priority as to the assets of such subsidiaries over the claims of Rio Tinto plc or Rio Tinto Limited.

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Consequently, holders of notes guaranteed by Rio Tinto plc and Rio Tinto Limited are structurally subordinated to the prior claims of the creditors of subsidiaries of Rio Tinto plc and Rio Tinto Limited.

In addition, some of Rio Tinto s subsidiaries are subject to laws restricting the amount of dividends they may pay. For example, these laws may prohibit dividend payments when net assets would fall below subscribed share capital, when the subsidiary lacks available profits or when the subsidiary fails to meet certain capital and reserve requirements. English and Australian law prohibits those subsidiaries incorporated in the United Kingdom and Australia, respectively, from paying dividends unless these payments are made out of distributable profits. These profits consist of accumulated, realized profits, which have not been previously utilized by distribution or capitalization, less accumulated, realized losses, which have not been previously written off in a reduction or reorganization of capital duly made. Other statutory and general law obligations also affect the ability of directors of Rio Tinto s subsidiaries to declare dividends and the ability of Rio Tinto s subsidiaries to make payments to Rio Tinto on account of intercompany loans.

Since the notes are unsecured, your right to receive payments may be adversely affected

The notes that we are offering will be unsecured. If we default on the debt securities or Rio Tinto defaults on the guarantees, or after bankruptcy, liquidation or reorganization, then, to the extent that we or Rio Tinto have granted security over our or Rio Tinto s assets, the assets that secure our or Rio Tinto s debts will be used to satisfy the obligations under that secured debt before we or Rio Tinto could make payment on the notes or the guarantees. There may only be limited assets available to make payments on the notes or the guarantees in the event of an acceleration of the debt securities. If there is not enough collateral to satisfy the obligations of the secured debt, then the remaining amounts on the secured debt would share equally with all unsubordinated unsecured indebtedness.

We may incur substantially more debt in the future

We may incur substantial additional indebtedness in the future, including in connection with future acquisitions, some or all of which may be secured by our assets. The terms of the notes will not limit the amount of indebtedness we may incur. Any such incurrence of additional indebtedness could exacerbate the risks that holders of the notes now face.

The notes lack a developed public market

There can be no assurance regarding the future development of a market for the notes or the ability of holders of the notes to sell their notes or the price at which such holders may be able to sell their notes. If such a market were to develop, the notes could trade at prices that may be higher or lower than the initial offering price depending on many factors, including, among other things, prevailing interest rates, our operating results and the market for similar notes. The underwriters may make a market in the notes as permitted by applicable laws and regulations. However, the underwriters are not obligated to do so, and any such market-making activities with respect to the notes may be discontinued at any time without notice. Therefore, there can be no assurance as to the liquidity of any trading market for the notes or that an active public market for the notes will develop. See Underwriting .

Our credit ratings may not reflect all risks of an investment in the notes

The credit ratings ascribed to us and the notes are intended to reflect our ability to meet our payment obligations in respect of the notes, and may not reflect the potential impact of all risks related to structure and other factors on the value of the debt notes. In addition, actual or anticipated changes in our credit ratings may generally be expected to affect the market value of the notes.

If we default on the notes, or if Rio Tinto defaults on the guarantees, your right to receive payments on the guarantees may be adversely affected by English or Australian insolvency laws

Rio Tinto plc is incorporated under the laws of England and Wales. Accordingly, insolvency proceedings with respect to Rio Tinto plc would be likely to proceed under, and be governed by, English insolvency law. The procedural and substantive provisions of English insolvency laws generally are more favorable to secured creditors than comparable provisions of United States law. These provisions afford debtors and unsecured creditors only limited

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protection from the claims of secured creditors and it will generally not be possible for us, Rio Tinto or other unsecured creditors to prevent or delay the secured creditors from enforcing their security to repay the debts due to them.

Rio Tinto Finance (USA) Limited and Rio Tinto Limited are incorporated under the laws of Australia and, therefore, insolvency proceedings with respect to them would be likely to proceed under, and be governed by, Australian insolvency law. The procedural and substantive provisions of Australian insolvency laws are also generally more favorable to secured creditors than comparable provision of United States law. These provisions afford debtors and unsecured creditors only limited protection from the claims of secured creditors and it will generally not be possible for us, Rio Tinto or other unsecured creditors to prevent or delay the secured creditors from enforcing their security to repay the debts due to them.

THE OFFERING

The following summary highlights information contained elsewhere in this prospectus supplement and the base prospectus. It may not contain all information that you should consider before investing in the notes. You should read Description of Guaranteed Notes beginning on page S-27 of this prospectus supplement for more detailed information about the notes.

Issuer	Rio Tinto Finance (USA) Limited
Notes Offered	U.S.$ % notes due
	U.S.$ % notes due
Guarantees	Full and unconditional guarantees of the principal, interest, premium, if any, and any other additional amounts payable in respect of the notes are given by Rio Tinto plc and Rio Tinto Limited.
Stated Maturity	notes:
	notes:
Principal Amount of Notes Being Issued	notes: U.S.$
	notes: U.S.$
Issue Price	notes: %
	notes: %
Ranking	The notes and guarantees are not secured by any of our or Rio Tinto s respective property or assets and will rank equally with all other unsecured and unsubordinated indebtedness. Since Rio Tinto plc and Rio Tinto Limited are holding companies and currently conduct their operations through subsidiaries, payments on the guarantees are effectively subordinated to the other liabilities of those subsidiaries.
Interest Rate	notes: %
	notes: %
Date Interest Starts Accruing	, 2009
Interest Payment Dates	Semi-annually in arrear on and of each year, commencing , 2009
First Interest Payment Date	, 2009

Interest Rate Adjustment	The interest rate payable on each series of notes will be subject to adjustment from time to time if Moody s or S&P downgrades (or if either subsequently upgrades) the rating on such series of notes as described under Description of Guaranteed Notes Interest Rate Adjustment .
Optional Make-Whole Redemption	Each series of notes will be redeemable at our option or at the option of Rio Tinto plc and Rio Tinto Limited, in whole or in part, at any time. See Description of Guaranteed Notes Optional Make-Whole Redemption beginning on page S-27 of this prospectus supplement. Upon redemption, we will pay a redemption price equal to the greater of (i) 100% of the principal amount of the notes being redeemed plus accrued interest to the date of redemption and (ii) the sum of the present values of the remaining scheduled payments of principal and interest on the relevant series of notes (excluding any interest accrued

as of the date of redemption). The present value will be determined by discounting the remaining principal and interest payments to the redemption date on a semi-annual basis (assuming a 360-day year consisting of twelve 30-day months) using the Treasury Rate (as defined in this prospectus supplement) plus a spread of basis points in the case of the notes and basis points in the case of the notes. The Comparable Treasury Issue for purposes of the definition contained in Description of Guaranteed Notes Optional Make-Whole Redemption will be the U.S. Treasury security selected by the quotation agents as having a maturity comparable to the remaining term of the notes to be redeemed that would be utilized, at the time of selection and in accordance with customary financial practice, in pricing new issues of corporate debt securities of comparable maturity to the remaining term of the notes to be redeemed.

Tax Redemption

In the event of various tax law changes and other limited circumstances that require us to pay additional amounts as described in the base prospectus on page 18 under Description of Guaranteed Debt Securities Special Situations Payment of Additional Amounts , we, Rio Tinto plc or Rio Tinto Limited may call all, but not less than all, of the notes for redemption at 100% of their aggregate principal amount plus accrued interest to the date of redemption.

Change of Control

If a Change of Control Repurchase Event (as defined in Description of the Guaranteed Notes Change of Control Repurchase Event) occurs, unless the notes of a particular series are otherwise subject to redemption in accordance with their terms and we have elected to exercise our right to redeem the notes of such series, we will make an offer to each holder comprising that series to repurchase all or any part (in integral multiples of U.S.$1,000) of that holder s notes at a repurchase price in cash equal to 101% of the aggregate principal amount of notes repurchased plus any accrued and unpaid interest on the notes repurchased to the date of repurchase.

Form of Notes; Clearance and Settlement

We will issue the notes in fully registered form. The notes will be represented by one or more global securities registered in the name of a nominee of DTC and deposited with The Bank of New York Mellon, as depositary. You will hold a beneficial interest in the notes through DTC in book-entry form. Indirect holders trading their beneficial interest in the notes through DTC must trade in DTC s same-day funds settlement system and pay in immediately available funds. Secondary market trading through Euroclear and Clearstream, Luxembourg will occur in the ordinary way following the applicable rules and operating procedures of Euroclear and Clearstream, Luxembourg.

Denomination

The notes will be issued in minimum denominations of U.S.$2,000 and integral multiples of U.S.$1,000 in excess thereof.

Further Issues

We may from time to time without your consent create and issue further notes having the same terms and conditions as any series of notes so that the further issue is consolidated and forms a single series with such series of notes, provided that such further issue constitutes a qualified reopening for U.S. federal income tax purposes or such

	further notes are issued with not more than a de minimis amount of original issue discount for U.S. federal income tax purposes.
Listing	Application will be made to list the notes on the New York Stock Exchange.
Governing Law	The notes will be governed by the laws of the State of New York.
Use of Proceeds	We expect to receive net proceeds from this offering of approximately U.S.$. The net proceeds will be used to repay amounts outstanding under the U.S.$40 billion credit facility, which was drawn down in connection with the Alcan acquisition.
Risk Factors	You should carefully consider all the information in the prospectus supplement and in the base prospectus (including the documents incorporated by reference in this prospectus) and, in particular, the risks described under Risk Factors beginning on page S-3 of the prospectus supplement before deciding to invest in the notes.
CUSIP	notes:
	notes:
ISIN	notes:
	notes:

CHINALCO

Chinalco strategic partnership

On February 12, 2009 the Rio Tinto board announced they are unanimously recommending to shareholders a transaction with Aluminum Corporation of China (Chinalco), a leading Chinese diversified resources company.

The transaction will forge a pioneering strategic partnership through the creation of joint ventures in aluminium, copper, and iron ore as well as the issue of convertible bonds to Chinalco, which would, if converted, allow Chinalco to increase its existing shareholding in Rio Tinto.

The transaction is intended to position Rio Tinto to lead the resources industry into the next decade and beyond by ensuring the continuity of its strategy with the benefit of Chinalco s relationships, resources and capabilities.

The Rio Tinto board has extensively considered a range of strategic options, and has concluded that the opportunity offered by the strategic partnership with Chinalco, together with the value on offer for the investments by Chinalco in certain of Rio Tinto s mineral assets and in the convertible bonds, is superior to other identified options and offers greater medium term certainty and long term value for Rio Tinto s shareholders.

Transaction overview

The transaction will deliver substantial aggregate cash proceeds of U.S.$19.5 billion through:

- An investment by Chinalco in certain aluminium, copper and iron ore joint ventures totalling U.S.$12.3 billion; and

- The issue of subordinated convertible bonds in two tranches with conversion prices of U.S.$45 and U.S.$60 in each of Rio Tinto plc and Rio Tinto Limited for a total consideration of U.S.$7.2 billion. If converted, the subordinated convertible bonds would increase Chinalco s current shareholding to 19.0% in Rio Tinto plc and 14.9% in Rio Tinto Limited, equivalent to an 18.0% interest in the Group.

Rio Tinto intends to use the proceeds of the transaction primarily to strengthen its balance sheet, to repay debt and to provide flexibility to continue to invest in value creating growth opportunities. The transaction will allow Rio Tinto to raise funds at a time when financial markets are distressed, thereby significantly reducing its debt levels, strengthening its balance sheet, and increasing its flexibility to pursue attractive investment opportunities throughout the cycle.

Following the transaction, Rio Tinto will maintain operational control of the businesses that are the subject of the strategic partnerships. The current Rio Tinto Group senior executive team will continue to manage each business, with continuity of Rio Tinto s existing strategy and business principles. Governance arrangements will be implemented to regulate the continuing relationship between the parties on the basis that Rio Tinto retains responsibility for carrying on the day to day management and operation of the businesses independently of Chinalco.

The Rio Tinto board believes the strategic alliance with Chinalco will strengthen Rio Tinto s ability to deliver its strategy of maximizing shareholder value through the development and operation of low cost, long life assets.

In addition to significantly strengthening Rio Tinto s balance sheet and ensuring financial flexibility over the medium term, the pioneering partnership is expected to offer the following benefits to Rio Tinto:

A link to Chinalco s strong relationships within China, which Rio Tinto believes will continue to be the main driver of commodity market growth over the longer term.

The strategic alliance creates the opportunity for joint ventures and project development in emerging economies. The two groups bring complementary skills including Chinalco s capabilities to deliver infrastructure projects, and Rio Tinto s leadership in operational excellence and sustainable development.

Rio Tinto will enter into a landmark joint venture for exploration in China in partnership with Chinalco.

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The Chinalco relationship will facilitate access for Rio Tinto to funding from Chinese financial institutions for project development.

In recognition of its significant investment and consistent with the strategic alliance, Chinalco will be entitled to nominate two new non executive board members (one independent under applicable corporate governance criteria) to add to the 15 current board members of Rio Tinto. Independent non executive directors will continue to comprise a majority of the Rio Tinto board, consistent with corporate governance best practice. Rio Tinto will comply fully with the UK Combined Code on Corporate Governance following completion of the transaction. These appointments will be on the same terms as the other non executive directors of Rio Tinto.

The transaction is conditional upon approval of Rio Tinto shareholders and is subject to government and regulatory approvals. The initial completion of the transaction is scheduled to occur prior to July 31, 2009.

Strategic partnership investments

Chinalco will invest U.S.$12.3 billion in aluminium, copper and iron ore strategic alliances in the form of strategic alliance notes or equity. The strategic alliance notes are synthetic instruments which track the cash generated by the assets and give a return based on the cash generated, taking into account Chinalco s level of investment.

The businesses and assets, and Rio Tinto and Chinalco s resulting economic interests, are set out in the table below.

Chinalco s investments will be made through participation in the relevant Rio Tinto entities which own these assets, and the form of that investment will vary between each entity. If the transactions involving certain assets do not complete on the date on which the transactions involving Hamersley Iron, Weipa, Yarwun and Escondida (in certain circumstances) and the convertible bonds complete, Chinalco will pay certain sums into escrow which will then be paid to Rio Tinto on completion of the transactions involving those particular assets.

Business	Strategic Partnership	Rio Tinto s Existing Economic Interest	Chinalco s Proposed Share of Rio Tinto s Economic Interest	Rio Tinto s Resulting Economic Interest
Weipa	Aluminium	100%	30%	70%
Yarwun	Aluminium	100%	50%	50%
Boyne	Aluminium	59.4%	49%	30%
Gladstone Power Station	Aluminium	42.1%	49%	21.5%
Escondida	Copper	30%	49.75%	15%
Grasberg	Copper	40%	30%	28%
La Granja	Copper	100%	30%	70%
Kennecott Utah Copper	Copper	100%	25%	75%
Hamersley Iron	Iron Ore	100%	15%	85%
Development Fund[(1)]				50%

Note:

(1) The Development Fund will be jointly owned by Rio Tinto and Chinalco. The U.S. $500 million included in the transaction is for the acquisition of project developments, including from Rio Tinto.

Product group strategic alliances

Strategic alliance committees will be established for each of the aluminium, copper and iron ore strategic alliances with Chinalco s voting rights generally in line with its level of investment.

The committees will provide a forum for discussion of matters relating to the particular assets that constitute that strategic alliance. Rio Tinto will chair the strategic alliance committees and will hold a casting vote. Rio Tinto will retain day to day management and operational control of the underlying assets that Rio Tinto manages.

Chinalco is entitled to appoint two out of six members of the iron ore strategic alliance committee, and three out of six members of each of the aluminium and the copper strategic alliance committees. Chinalco will have the right to be represented on the board of the holding company of each particular asset. Appropriate governance arrangements will be in place to ensure continued independent and commercial decision making.

In addition to the investments outlined, in relation to aluminium, Rio Tinto and Chinalco have also identified future areas of cooperation, all of which will be subject to formal agreement by the strategic alliance committee and board of Rio Tinto.

The aluminium strategic alliance committee will establish a pro-rata jointly owned bauxite marketing venture. The strategic alliance would market a proportion of Weipa produced bauxite outside Australia, after satisfying Rio Tinto s internal requirements and existing customers, with the remaining bauxite marketing to be managed by Rio Tinto. As part of the agreement, Chinalco will also receive a 25 year commitment for bauxite supply from Weipa on arm s length terms.

In relation to the iron ore alliance, Rio Tinto and Chinalco will establish a jointly owned sales company which will market 30% of Hamersley Iron s iron ore output in China. This sales company will contract the marketing with Rio Tinto. All other marketing of iron ore will be carried out by Rio Tinto.

Exploration

As part of the strategic partnership, and in addition to the product group strategic alliances, Chinalco and Rio Tinto intend to pursue additional cooperative arrangements and new business opportunities, including sharing of operational and capital project best practices. As a demonstration of this project development initiative, Rio Tinto and Chinalco are already negotiating a possible agreement in relation to the joint development of Rio Tinto s Simandou iron ore project in Guinea and have entered into a memorandum of understanding to establish a strategic alliance to explore opportunities in mainland China that will allow Rio Tinto to take an interest in discovered deposits.

Project development fund

Rio Tinto and Chinalco will establish a project development fund, using the initial capital contribution from Chinalco described above, to exploit project opportunities in aluminium, copper and iron ore, to be held within the framework of the relevant strategic alliance. Potential investments include exploration projects in China, opportunities within the parties aluminium businesses in Australia and China, and Rio Tinto s existing development projects.

Secondment policy

In order for Rio Tinto and Chinalco to capture and transfer the best practice and experience that each company has established over time, Rio Tinto and Chinalco have agreed a secondment policy under which Chinalco may second executive, senior management or junior personnel, as appropriate, into roles within each asset and/or into each strategic alliance. Rio Tinto may second appropriate management and technical personnel to Chinalco.

Relationship agreement

On completion of the transaction, Chinalco and Rio Tinto will enter into a relationship agreement to regulate the continuing relationship between the parties. In particular, the agreement will ensure that:

Rio Tinto is capable of carrying on its business independently of Chinalco as a significant shareholder.

Transactions and relationships between Chinalco (or any of its associates) and Rio Tinto are at an arm s length and on normal commercial terms.

Chinalco shall be entitled to nominate up to two directors (one of whom shall be an independent director) to the Rio Tinto board as long as it continues to have the right to hold at least 14.9% of the aggregate publicly held share capital of Rio Tinto (assuming conversion of the convertible bond). Should Chinalco s shareholding entitlement in Rio Tinto fall below 14.9%, (but remain above 9.9%) Chinalco shall be entitled to nominate one director to the Rio Tinto board.

Directors of Rio Tinto nominated by Chinalco shall not be permitted to vote on any board resolution on any matter involving Chinalco or where the board determines in accordance with the board s policy that there is a conflict of interest.

The relationship agreement will terminate in the event that Chinalco ceases to hold a right to 9.9% of the aggregate publicly held share capital of Rio Tinto or if Rio Tinto plc ceases to be listed on the Official List in the United Kingdom and traded on the London Stock Exchange and Rio Tinto Limited ceases to be admitted on the official list of, and its securities quoted on, the Australian Securities Exchange.

Convertible bonds

Chinalco will invest a total of U.S.$7.2 billion in subordinated convertible bonds issued by Rio Tinto plc and Rio Tinto Limited (or companies within the Rio Tinto Group) with a maturity of 60 years. If converted, the bonds would increase Chinalco s current shareholdings to 19.0% in Rio Tinto plc and 14.9% in Rio Tinto Limited, equivalent to an 18.0% interest in the Rio Tinto Group. The Rio Tinto plc bonds will pay an annual coupon of 9.0% and the Rio Tinto Limited Bonds will pay an annual coupon of 9.5%.

Each of the Rio Tinto plc and Rio Tinto Limited bonds will be split into two tranches. Tranche A of the bonds will convert into Rio Tinto plc shares and Rio Tinto Limited shares at an initial conversion price equivalent to U.S.$45 per share. Tranche B of the bonds will convert into Rio Tinto plc shares and Rio Tinto Limited shares at an initial conversion price equivalent to U.S.$60 per share. However, these conversion prices are subject to adjustment in certain circumstances such as, inter alia, share consolidations, share splits and share distributions. Tranche A represents U.S.$3.1 billion of the total issue size, and Tranche B represents U.S.$4.1 billion of the total issue size.

The respective conversion premium to be paid by Chinalco on Tranche A and Tranche B of the Bonds is:

107% for Tranche A and 176% for Tranche B to the Rio Tinto plc closing price on 30 January 2009.

68% for Tranche A and 124% for Tranche B to the Rio Tinto Limited closing price on 30 January 2009.

The bonds will be convertible into ordinary shares of Rio Tinto plc and Rio Tinto Limited at any time from 41 days after the closing date up to a certain number of days prior to the earlier of the maturity date of the bonds and the date of redemption of the bonds. The bonds will be redeemable by Rio Tinto after seven years. If so redeemed for cash, Rio Tinto presently intends to replace the bonds with instruments that achieve similar rating agency equity credit.

The bonds have been structured with the aim of achieving 50% equity credit from the rating agencies. Standard & Poor s has indicated, subject to satisfactory final documents and the amount to be issued relative to the capital of the Group, that the bonds would be eligible for intermediate (50%) equity credit. The amount of equity credit is subject to final confirmation by the agencies.

Financial impact

The value of the gross assets, and the pro forma net underlying business unit earnings of the assets, that are the subject of the strategic alliances are U.S.$14,021 million and U.S.$5,841 million respectively. The data is extracted from the Group s accounting records for the year ended 31 December 2008 and represents Rio Tinto s interest prior to completion of the transaction.

Implementation agreement

The transaction is governed by an implementation agreement entered into by the parties that includes the following in relation to break fees, exclusivity and liquidated damages arrangements.

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Break fee obligations

Subject to certain exceptions, the implementation agreement provides for a break fee of U.S.$195 million to be payable by Rio Tinto to Chinalco in the following circumstances:

The Rio Tinto board withdraws or adversely changes its recommendation that Rio Tinto shareholders approve the resolutions necessary for the transaction.

The Rio Tinto board recommends a competing proposal.

The break fee is not payable where:

Despite a triggering event as defined in the agreement, Rio Tinto shareholders approve the resolutions necessary for the transaction.

The Rio Tinto board has not withdrawn or adversely changed their recommendation and Rio Tinto shareholders do not approve the resolutions necessary for the transaction, or all or part of the transaction does not complete because a condition precedent is not satisfied.

An independent expert determines that the transaction is not fair and reasonable.

The implementation agreement has been terminated or Rio Tinto is unilaterally entitled to terminate the implementation agreement.

The break fee is payable only once and will constitute Chinalco s sole and exclusive remedy in connection with the events and circumstances triggering the obligation to pay.

Exclusivity arrangements

The implementation agreement contains customary terms and conditions for an agreement of this nature which restrict Rio Tinto from soliciting a competing proposal from any third party, or entering into negotiations or discussions in relation to a competing proposal with any third party.

The restriction on negotiations or discussions with third parties does not prevent Rio Tinto from engaging in such negotiations and discussions in the event that the Rio Tinto board (after having considered advice from its legal and, if appropriate, financial advisers), acting in good faith and in order to satisfy what they reasonably consider to be their fiduciary or statutory duties, determine that there is a superior proposal available to Rio Tinto, or one or more proposals may reasonably be expected to lead to a superior proposal. Where the Rio Tinto board has made such a determination, Rio Tinto is required to notify Chinalco of the general nature of that superior proposal. If the Rio Tinto board intends to recommend a superior proposal, then prior to the publication of that recommendation Rio Tinto shall provide Chinalco with the material terms of the proposal and an opportunity to respond.

The above exclusivity arrangements apply from the period commencing on February 12, 2009 and end on the earlier of the date of termination of the implementation agreement, or the date on which the transactions in respect of the convertible bonds, Hamersley Iron, Weipa, Yarwun and (subject to certain conditions) Escondida, complete.

Liquidated damages

Rio Tinto has agreed to a liquidated damages regime in the case of its wilful breach of obligations to establish the joint ventures for Escondida, Grasberg and Kennecott Utah Copper. This is designed to protect Chinalco against the risk that it completes the first tranche of the transaction, and Rio Tinto subsequently breaches the obligations to deliver the balance of the assets. Total liquidated damages payable are U.S.$850 million. The liquidated damages would not be payable unless the shareholders approved the transaction, as the regime only applies once initial completion has occurred.

Shareholder approvals

The transaction will be on the terms and subject to the conditions set out in the transaction documents, and to be set out in a circular to be sent to Rio Tinto shareholders. The circular will contain further financial and other information, together with the Rio Tinto board s recommendation and will be sent to Rio Tinto shareholders shortly.

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USE OF PROCEEDS

We estimate that the net proceeds (after underwriting discounts and commissions and estimated offering expenses) from the sale of the notes will be approximately U.S.$. The net proceeds will be used to repay amounts outstanding under the U.S.$40 billion credit facility, which was drawn down in connection with the Alcan acquisition.

The U.S.$40 billion credit facility is comprised of four facilities with final maturities ranging up to five years. As of April 7, 2009, U.S.$27.8 billion of the U.S.$40 billion credit facility was drawn down at a weighted average interest rate of 1.13% per annum.

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SUMMARY HISTORICAL FINANCIAL DATA

The following summary consolidated historical financial data are derived from the audited consolidated financial statements of Rio Tinto. The summary consolidated historical financial data should be read in conjunction with, and qualified in their entirety by reference to, the consolidated financial statements and notes thereto contained in the Form 20-F of Rio Tinto for the year ended December 31, 2008, which are incorporated by reference in this prospectus. The consolidated financial statements of Rio Tinto have been prepared in accordance with International Financial Reporting Standards as issued by the International Accounting Standards Board (IFRS).

Summary Condensed Consolidated Financial Information of Rio Tinto

Income Statement

	Year Ended December 31,				
	2008	2007	2006	2005	2004
	(U.S.$ million)				
Consolidated sales revenue	54,264	29,700	22,465	19,033	12,954
Operating profit	10,194	8,571	8,974	6,922	3,327
Profit for the year	4,609	7,746	7,867	5,498	3,244
Basic earnings per ordinary share (U.S. cents)	286.4	568.7	557.8	382.3	239.1
Diluted earnings per ordinary share (U.S. cents)	285.1	566.3	555.6	381.1	238.7

Balance Sheet

	At December 31,				
	2008	2007[1]	2006	2005	2004
	(U.S.$ million)				
Total assets	89,616	101,091	34,494	29,803	26,308
Share capital and share premium	5,826	3,323	3,190	3,079	3,127
Total equity/Net assets	22,461	26,293	19,385	15,739	12,591
Equity attributable to Rio Tinto shareholders	20,638	24,772	18,232	14,948	11,877

Other Financial Data

	Year Ended December 31,				
	2008	2007	2006	2005	2004
	(U.S.$ million)				
EBITDA[2]	23,870	13,611	12,566	9,743	6,123

Notes:

(1) The December 31, 2007 balance sheet has been restated for the revisions to Alcan s fair value accounting which was finalised in 2008.

(2) EBITDA (including Rio Tinto s share of equity accounted units) represents profit before finance items and tax, depreciation and amortization in subsidiaries, impairment charges/(reversals), depreciation and amortization in equity accounted units, taxation in equity accounted units and finance items in equity accounted units. Information regarding EBITDA is sometimes used by investors to evaluate the efficiency of a company s operations and its ability to employ its earnings towards repayment of debt, capital expenditures and working capital requirements. There are no generally accepted accounting principles governing the calculation of EBITDA and, as a non-GAAP measure, the criteria upon which EBITDA is based can vary from company to company. EBITDA, by itself, does not provide a sufficient basis to compare Rio Tinto s performance with that of other companies and should not be considered in isolation or as a substitute for operating profit or any other measure as an indicator of operating performance, or as an alternative to cash generated from operating activities as a measure of liquidity.

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The reconciliation of Rio Tinto s profit before finance items and taxation to EBITDA is as follows:

	Year Ended December 31,				
	2008	2007	2006	2005	2004
	(U.S.$ million)				
Profit on ordinary activities before finance items and taxation	11,233	10,155	10,352	7,698	3,850
Depreciation and amortization in subsidiaries	3,475	2,115	1,509	1,338	1,183
Impairment charges/(reversals)	8,030	58	(396)	(3)	548
Depreciation and amortization in equity accounted units	414	310	275	281	228
Taxation and Finance items in equity accounted units	718	973	826	429	314

)			(991,602)			
Balance, December 31, 2006	27,586,485	5,027,317	(3,045,163)	911,250	0	2,893,404

The accompanying notes are an integral part of these financial statements.

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New Jersey Mining Company
(A Development Stage Company)
Statement of Changes in Stockholders' Equity, continued:
For the Years Ended December 31, 2007, and 2008 (audited), and for the Period From Inception (July 18, 1996) Through December 31, 2008 (unaudited)

	Common Stock		Accumulated	Accum. Other Comprehensive	Treasury	Total Stockholders'
	Shares	Amount	Deficit	Income	Stock	Equity
Balance, December 31, 2006	27,586,485	$ 5,027,317	$ (3,045,163)	$ 911,250	$ 0	$ 2,893,404
Issuance of common stock for:						
Cash	4,014,761	1,533,319				1,533,319
Exercise of warrants	200,000	120,000				120,000
Management and directors fees	274,386	142,500				142,500
Services	52,104	27,157				27,157
Exploration	52,200	32,560				32,560
Mineral property agreement	60,000	30,000				30,000
Property, plant and equipment	20,756	10,239				10,239
Accounts payable	30,500	12,205				12,205
Unrealized gain (loss) in marketable equity security				(525,909)		(525,909)
Net loss			(1,453,268)			(1,453,268)
Balance, December 31, 2007	32,291,192	6,935,297	(4,498,431)	385,341	0	2,822,207
Issuance of common stock for:						
Cash	2,400	950				950
Exercise of warrants	4,350,000	1,740,000				1,740,000
Management and directors fees	318,700	108,000				108,000
Services	74,000	32,000				32,000

Exploration	35,100	15,390				15,390
Mineral property agreement	75,000	21,000				21,000
Property, plant and equipment	14,000	5,600				5,600
Unrealized gain (loss) in marketable equity security				(375,544)		(375,544)
Net loss			(1,423,829)			(1,423,829)
Balance, December 31, 2008	37,160,392	$ 8,858,237	$ (5,922,260)	$ 9,797	$ 0	$ 2,945,774

The accompanying notes are an integral part of these financial statements.

New Jersey Mining Company
(A Development Stage Company)
Statements of Cash Flows
For the Years Ended December 31, 2008 and 2007,
And from Inception (July 18, 1996) through December 31, 2008

	Years Ended December 31,		From Inception (July 18, 1996) through December 31, 2008
	2008	2007	(Unaudited)
Cash flows from operating activities:			
Net loss	$ (1,423,829)	$ (1,453,268)	$ (5,922,260)
Adjustments to reconcile net loss to net cash			
Used by operating activities:			
Depreciation and amortization	204,284	159,768	544,628
Write-off of equipment			11,272
Write-off of goodwill and investment			120,950
Gain on sale of mineral property			(90,000)
Gain on default of mineral property sale	(270,000)		(270,000)
Gain on sale of marketable equity securities		(70,109)	(70,109)
Common stock issued for:			
Management and directors fees	108,000	142,500	775,037
Services and other	32,000	27,157	193,310
Exploration	15,390	32,560	84,271
Mineral property agreement		15,000	15,000
Change in:			
Prepaid expense	(572)		(572)
Inventories	(9,575)	42,569	(99,092)
Miscellaneous receivable	(5,516)	13,628	(5,516)
Interest receivable	953	(1,277)	(324)
Other assets			(778)
Accounts payable	(18,867)	(36,884)	53,913
Accrued payroll and related payroll expense	7,977	6,209	45,706
Accrued reclamation costs	500	1,800	20,300
Net cash used by operating activities	(1,359,255)	(1,120,347)	(4,594,264)
Cash flows from investing activities:			
Purchases of property, plant and equipment	(101,924)	(195,992)	(1,079,856)
Purchase of mineral property	(3,000)	(4,500)	(17,904)
Proceeds from sale of mineral property			120,000
Deposit received on sale of mineral property (Note 8)	270,000		270,000
Purchase of reclamation bonds	2,553	(123,573)	(123,520)
Purchase of certificates of deposits			(200,000)
Proceeds from sales of certificates of deposits		200,000	200,000
Purchase of marketable equity security			(7,500)
Proceeds from sales of marketable equity securities		71,078	71,078
Cash of acquired companies			38,269
Deferral of development costs	(343,107)	(190,567)	(759,209)
Net cash used by investing activities	(175,478)	(243,554)	(1,488,642)
Cash flows from financing activities:			

Exercise of stock purchase warrants		1,740,000		120,000		2,537,600
Sales of common stock, net of issuance costs		950		1,533,319		4,226,576
Principal payments on capital lease		(36,940)		(35,473)		(156,832)
Principal payments on notes payable		(119,496)		(59,293)		(203,184)
Net cash provided by financing activities		1,584,514		1,558,553		6,404,160
Net change in cash and cash equivalents		49,781		194,652		321,254
Cash and cash equivalents, beginning of period		271,473		76,821		0
Cash and cash equivalents, end of period	**$**	**321,254**	**$**	**271,473**	**$**	**321,254**
Supplemental disclosure of cash flow information						
Interest paid in cash, net of amount capitalized	$	3,251	$	27,311	$	50,886
Non-cash investing and financing activities:						
Common stock issued for:						
Property, plant and equipment	$	5,600	$	10,239	$	50,365
Mineral properties	$	21,000	$	15,000	$	315,300
Payment of accounts payable			$	12,205	$	12,205
Acquisitions of companies, excluding cash					$	743,653
Capital lease obligation incurred for equipment acquired					$	178,588
Notes payable for property and equipment acquired	$	36,235	$	401,112	$	482,634

The accompanying notes are an integral part of these financial statements.

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New Jersey Mining Company
(A Development Stage Company)
Notes to Financial Statements
1. Description of Business

New Jersey Mining Company (the Company) was incorporated as an Idaho corporation on July 18, 1996. The Company's primary business is exploring for and developing gold, silver, and base metal mineral resources in the Greater Coeur d Alene Mining District of North Idaho and extending into Western Montana.

The Company has started minor production from high grade reserves located near the surface with the strategy to generate cash to be used for additional exploration to discover major mineral resources on its properties. The Company has not yet developed sufficient reserves to justify investment in a major mine, thus it remains in the development stage.

2. Summary of Significant Accounting Policies

Development Stage Enterprise
The Company's financial statements are prepared pursuant to the provisions of Statement of Financial Accounting Standards (SFAS) No. 7, Accounting for Development Stage Enterprises, as it devotes substantially all of its efforts to acquiring and developing mining interests that will eventually provide sufficient net profits to sustain the Company s existence. Until such interests are engaged in major commercial production, the Company will continue to prepare its financial statements and related disclosures in accordance with entities in the development stage.

In conjunction with development stage disclosure required by SFAS No. 7, inception to date figures are included in the financial statements. These figures while labeled unaudited have all been audited by various accounting firms in their respective years. However, they have not as a whole been audited by the current auditing firm resulting in the unaudited classification.

Use of Estimates
The preparation of financial statements in conformity with accounting principles generally accepted in the United States requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results could differ from those estimates.

Revenue Recognition
As a development stage company our revenue from operations is referred to as income earned during the development stage. Revenue is recognized when title and risk of ownership of metals or metal bearing concentrate have passed and collection is reasonably assured. Revenue from the sale of metals may be subject to adjustment upon final settlement of estimated metal prices, weights and assays, and are recorded as adjustments to revenue in the period of final settlement of prices, weights and assays; such adjustments are typically not material in relation to the initial invoice amounts.

Inventory
Dore' and process inventories are stated at the lower of average cost incurred or net realizable value.

Timber Sales
Revenue from harvest of raw timber is recognized when a contract has been established, the timber has been shipped, and payment is deemed probable. These sales of timber found on the Company s mineral properties are not a part of normal operations.

Contract Income

Revenue received from drilling and exploration contracts with third parties is recognized when the contract has been established, the services are rendered and payment is deemed probable. These services are not a part of normal operations.

New Jersey Mining Company
(A Development Stage Company)
Notes to Financial Statements
2. Summary of Significant Accounting Policies, continued:

Income Taxes
Income taxes are accounted for under the liability method. Under this method deferred income tax liabilities or assets at the end of each period are determined using the tax rate expected to be in effect when the taxes are expected to be paid or recovered. A valuation allowance is recorded to reduce the deferred tax assets, if there is uncertainty regarding their realization.

Fair Values of Financial Instruments
Effective January 1, 2008, we adopted the provisions of SFAS No. 157, Fair Value Measurements, for our financial assets and financial liabilities without a material effect on our results of operations or financial position. The effective date of SFAS No. 157 for non-financial assets and non-financial liabilities has been deferred by FSP 157-2 to fiscal years beginning after November 15, 2008, and we do not anticipate the impact of adopting SFAS 157 for non-financial and non-financial liabilities to have a material impact on our results of operations or financial position.

SFAS No. 157 expands disclosure requirements to include the fair value measurement, and its fair value hierarchy level, for each major category of assets and liabilities that are measured at fair value. Hierarchy level is determined by segregating fair value measurements using quoted prices in active markets for identical assets or liabilities (Level 1), significant other observable inputs (Level 2), and significant unobservable inputs (Level 3).

The table below sets forth our financial asset that was accounted for at fair value at December 31, 2008, and its respective hierarchy level. We had no other financial assets or liabilities accounted for at fair value at December 31, 2008.

	Balance at December 31, 2008	Balance at December 31, 2007	Hierarchy Level
Investments in marketable equity securities	$16,328	$391,872	Level 1
Inventories	99,092	89,517	Level 2

We also adopted the provisions of SFAS No. 159, The Fair Value Option for Financial Liabilities, effective January 1, 2008. SFAS No. 159 permits entities to choose to measure many financial assets and financial liabilities at fair value. The adoption of SFAS No. 159 has not had a material effect on our financial position or results of operations as of and for the periods ending December 31, 2007 and 2008. The carrying amounts of financial instruments including cash and cash equivalents, reclamation bonds, investment in marketable equity securities, accounts payable, obligations under capital lease and notes payable are approximated at their fair values.

Investment in Marketable Equity Security
In compliance with Statement of Financial Accountings Standards No. 115, *Accounting for Certain Investments in Debt and Equity Securities* (SFAS 115), marketable equity securities are classified as available for sale and are valued at the market price. Realized gains and losses on the sale of securities are recognized on a specific identification basis. Unrealized gains and losses are included as a component of accumulated other comprehensive income (loss), unless an other than temporary impairment in value has occurred, which would then be charged to current period net income (loss).

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New Jersey Mining Company
(A Development Stage Company)
Notes to Financial Statements
2. Summary of Significant Accounting Policies, continued:

Net Loss Per Share
Net loss per share is computed by dividing net loss by the weighted average number of common shares outstanding during the year. Diluted net loss per share reflects the potential dilution that could occur from common shares issuable through stock options, warrants, and other convertible securities. For the years ended December 31, 2008 and 2007, the effect of the Company s potential issuance of shares from the exercise of warrants would have been anti-dilutive. Accordingly, only basic net loss per share has been presented. Outstanding warrants are discussed in detail in note 10 of the financial statements.

Reclassifications
Certain prior period amounts have been reclassified to conform to the 2008 financial statement presentation. These reclassifications have no effect on net loss as previously reported.

Cash Equivalents
The Company considers cash in banks and other deposits with an original maturity of three months or less, that can be liquidated without prior notice or penalty, to be cash and cash equivalents.

Property, Plant and Equipment
Property, plant and equipment are stated at the lower of cost or estimated net realizable value. Depreciation and amortization are based on the estimated useful lives of the assets and are computed using straight-line or units-of-production methods. The expected useful life of most of the Company s buildings is up to 50 years and equipment life expectancy ranges between two and ten years. When assets are retired or sold, the costs and related allowances for depreciation and amortization are eliminated from the accounts and any resulting gain or loss is reflected in operations.

Mineral Properties
Significant payments related to the acquisition of mineral properties, mineral rights, and mineral leases are capitalized.

If a commercially mineable ore body is discovered, such costs are amortized when production begins using the units-of-production method based on proven and probable reserves. If no commercially mineable ore body is discovered, or such rights are otherwise determined to have no value, such costs are expensed in the period in which it is determined the property has no future economic value.

Mine Exploration and Development Costs
The Company records exploration costs as such in the period they occur. Mine development costs are capitalized as deferred development costs after proven and probable reserves have been identified. Interest cost incurred during the development stage are capitalized. Amortization is calculated using the units-of-production method over the expected life of the operation based on the estimated recoverable mineral ounces.

Property Evaluations
Annually, or more frequently as circumstances require, the Company evaluates the carrying amounts of its mineral properties, including deferred development costs, to assess whether such amounts are recoverable. Estimated undiscounted future net cash flows from each mineral property are calculated using estimated future production, three year average metals prices, operating capital and costs, and reclamations costs. An impairment loss is recognized when the estimated future cash flows (undiscounted and without interest) expected to result from the use of an asset are less than the carrying amount of the asset. The Company s estimates of future cash flows are subject to risks and

uncertainties. It is reasonably possible that changes in estimates could occur which may affect the expected recoverability of the Company s investments in mineral properties.

New Jersey Mining Company
(A Development Stage Company)
Notes to Financial Statements
2. Summary of Significant Accounting Policies, continued:

Asset Retirement Obligations (ARO) and Remediation Costs
Mineral properties are subject to standards for mine reclamation that have been established by various governmental agencies. A liability is recorded for the present value of estimated reclamation costs and a related asset is established. The liability is accreted and the asset is depreciated over the life of the related asset. Adjustments are made for changes resulting from the passage of time and changes to either the timing or amount of the original present value estimate underlying the obligation. If there is an impairment to an asset s carrying value and a decision is made to permanently close the property, changes to the liability are recognized and charged to the provision for closed operations and environmental matters.

For non-operating properties, the Company accrues costs associated with environmental remediation obligations when it is probable that such costs will be incurred and they are reasonably estimable. Accruals for estimated losses from environmental remediation obligations have historically been recognized no later than completion of the remedial feasibility study for such facility and are charged to provision for closed operations and environmental matters. Costs of future expenditures for environmental remediation are not discounted to their present value unless subject to a contractually obligated fixed payment schedule. Such costs are based on management s estimate of amounts expected to be incurred when the remediation work is to be performed within current laws and regulations. Recoveries of environmental remediation costs from other parties are recorded as assets when their receipt is deemed probable.

It is reasonably possible that, due to uncertainties associated with defining the nature and extent of environmental contamination and the application of laws and regulations by regulatory authorities and changes in reclamation or remediation technology, the ultimate cost of reclamation and remediation could change in the future. The Company periodically reviews accrued liabilities for such reclamation and remediation costs as evidence becomes available indicating that its liabilities have potentially changed.

Reclamation Bonds
Various laws and permits require that financial assurances be in place for certain environmental and reclamation obligations and other potential liabilities. The reclamation bond balance at December 31, 2008 represents an investment in U.S. government agency bonds. The bonds are restricted to ensure that reclamation is performed at certain properties where the Company is conducting mining and exploration activities.

Share Based Compensation or Payments
All transactions in which goods or services are received for the issuance of shares of the Company s common stock are accounted for based on the fair value of the consideration received or the fair value of the common stock issued, whichever is more reliably measurable as defined by SFAS No. 123(R).

Recent Accounting Pronouncements
In December 2007, the FASB issued SFAS No. 141(R), Business Combinations, or SFAS 141(R), which replaces SFAS 141. SFAS 141(R) establishes principles and requirements for how an acquirer in a business combination recognizes and measures in its financial statements the identifiable assets acquired, the liabilities assumed, and any controlling interest; recognizes and measures the goodwill acquired in the business combination or a gain from a bargain purchase; and determines what information to disclose to enable users of the financial statements to evaluate the nature and financial effects of the business combination. SFAS 141(R) is to be applied prospectively to business combinations for which the acquisition date is on or after the entity's fiscal year that begins after December 15, 2008. The Company will assess the impact of SFAS 141(R) if, and when, a future acquisition occurs.

New Jersey Mining Company
(A Development Stage Company)
Notes to Financial Statements
2. Summary of Significant Accounting Policies, continued:

Recent Accounting Pronouncements, continued:
In December 2007, the FASB issued SFAS No. 160, *Noncontrolling Interests in Consolidated Financial Statements-an amendment of ARB No. 51*, or SFAS 160. SFAS 160 establishes new accounting and reporting standards for the noncontrolling interest in a subsidiary and for the deconsolidation of a subsidiary. Specifically, this statement requires the recognition of a noncontrolling interest (minority interest) as equity in the consolidated financial statements and separate from the parent's equity. The amount of net income attributable to the noncontrolling interest will be included in consolidated net income on the face of the income statement. SFAS 160 clarifies that changes in a parent's ownership interest in a subsidiary that do not result in deconsolidation are equity transactions if the parent retains its controlling financial interest. In addition, this statement requires that a parent recognize a gain or loss in net income when a subsidiary is deconsolidated. Such gain or loss will be measured using the fair value of the noncontrolling equity investment on the deconsolidation date. SFAS 160 also includes expanded disclosure requirements regarding the interests of the parent and its noncontrolling interest. SFAS 160 is effective for fiscal years, and interim periods within those fiscal years, beginning on or after December 15, 2008. Earlier adoption is prohibited. The Company does not have consolidated financial statements, so does not anticipate any impact on its financial statements from the adoption of SFAS 160.

In March 2008, the Financial Accounting Standards Board (FASB) issued SFAS No. 161, "Disclosures about Derivative Instruments and Hedging Activities, an amendment of FASB Statement No. 133 (SFAS No. 161), to provide an understanding of how and why an entity uses derivative instruments, how they are accounted for, and how they affect an entity's financial statements. SFAS No. 161 is effective for both interim and annual reporting periods beginning after November 15, 2008. We do not expect any material effect to our financial statements from the enactment of SFAS No. 161.

In May 2008, the FASB issued SFAS No. 162, The Hierarchy of Generally Accepted Accounting Principles, which identifies the sources of accounting principles and provides entities with a framework for selecting the principles used in preparation of financial statements that are presented in conformity with GAAP. SFAS 162 is effective for both interim and annual reporting periods beginning after November 13, 2008. The adoption of SFAS No. 162 is not expected to have a material impact on our financial statements.

3. Going Concern

As shown in the accompanying financial statements, the Company has minimal revenue and incurred an accumulated deficit of $5,922,260 through December 31, 2008. These factors raise substantial doubt about the Company s ability to continue as a going concern. Management intends to seek additional capital from new equity securities offerings and joint venture agreements that will provide funds needed to increase liquidity, fund internal growth and fully implement its business plan.

The financial statements do not include any adjustments relating to the recoverability and classification of recorded assets, or the amounts and classification of liabilities that might be necessary in the event the Company cannot continue in existence.

Should the Company be unable to raise capital through future private placements and/or joint venture agreements or achieve significant revenues from its operations, its business, and, as a result, its financial position, results of operations and cash flow will likely be materially adversely impacted. We expect to receive cash flow from the gold sales and by providing drilling services to Newmont on our joint venture (see note 8. Mining Venture

Agreements Newmont Venture Agreement).

New Jersey Mining Company
(A Development Stage Company)
Notes to Financial Statements
3. Going Concern, continued:

For 2009, the Company has plans to reduce its discretionary exploration expenditures as well as its overhead expenses. With these reductions, the Company believes it will only need an estimated $500,000 to continue operations through the next twelve months.

4. Property, Plant and Equipment

Property, plant and equipment at December 31, 2008 and 2007, consisted of the following:

	2008	2007
Mill building at cost	$ 128,566	$ 128,566
Milling equipment at cost	1,064,270	981,402
Less accumulated depreciation	(71,991)	(62,702)
Total mill	1,120,845	1,047,266
Land	79,137	79,137
Building and equipment at cost	638,795	577,904
Less accumulated depreciation	(368,422)	(179,844)
Total building and equipment	349,510	477,197
Total	$ 1,470,355	$ 1,524,463

For both years ending December 31, 2008 and 2007, milling and other equipment include assets under capital lease amounting to $150,254. The leases are being amortized over the terms of the respective lease. Accumulated amortization at December 31, 2008 and 2007 was $96,829 and $66,999, respectively. At December 31, 2008, the estimated future minimum lease payments under capital leases were as follows:

Year ending December 31,	
2009	$ 30,532
2010	11,812
2011	11,049
Total	53,393
Less: Amounts representing interest costs	(6,436)
Net present values	46,957
Less: Capital lease obligations-current portion	(26,665)
Long-term capital lease obligations	$ 20,292

New Jersey Mining Company
(A Development Stage Company)
Notes to Financial Statements
5. Notes Payable

At December 31, 2008 and 2007, notes payable are as follows.

	2008	2007
Dodge pick-up 60 month note payable, 0.00% interest rate; collateralized by pick-up, monthly payments of $557	$ 16,156	$ 22,842
Hagby Diamond Drill 48 month note payable, 8.00% interest rate payable monthly, collateralized by drill, monthly payments of $4,093	110,968	149,520
Ingersoll Rand Compressor 36 month note payable, 4.90% interest rate payable monthly, collateralized by compressor, monthly payments of $670	8,462	15,885
Caterpillar 305 Excavator 48 month note payable, 7.81% interest rate payable monthly, collateralized by excavator, monthly payments of $956	25,187	34,302
Kubota 5700 Tractor 36 month note payable, 0.00% interest rate, collateralized by tractor, monthly payments of $674	11,456	19,543
Property with shop 36 month note payable, 0.25% plus prime variable interest rate paid monthly, full principal of note due in one payment at end of term, monthly payments vary depending upon interest rate	60,000	60,000
Bobcat S250 50 month note payable, 0.00% interest rate collateralized by bobcat, monthly payments of $725	34,786	
Kubota RTV 36 month note payable, 0.00% interest rate; collateralized by RTV, monthly payments of $494		5,436
Eimco Secoma Drill 24 month note payable, 12.76% interest rate payable monthly, collateralized by drill, monthly payments of $4,150	31,666	74,414
Total notes payable	298,681	381,942
Due within one year	114,534	118,046
Due after one year	$ 184,147	$ 263,896

Maturities of debt outstanding at December 31, 2008 are as follows: $114,534 in 2009, $136,212 in 2010, $39,239 in 2011, and $8,696 in 2012.

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New Jersey Mining Company
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Notes to Financial Statements
6. Mineral Properties

Mineral properties and deferred development costs are as follows:

December 31, 2008

	Properties	Deferred Development	Total
New Jersey Mine			
Grenfel/Coleman	$ 365,000	$ 233,451	$ 598,451
Golden Chest	65,000	579,393	644,393
Silver Strand	74,704	91,500	166,204
Roughwater	25,500		25,500
Lost Eagle	5,000		5,000
Revett Niagara	31,500		31,500
Copper Camp	31,500		31,500
Less Accumulated			
Amortization	(58,647)	(45,567)	(104,214)
Total	$ 539,557	$ 858,777	$ 1,398,334

December 31, 2007

	Properties	Deferred Development	Total
New Jersey Mine			
Grenfel/Coleman	$ 365,000	$ 233,451	$ 598,451
Golden Chest	65,000	236,286	301,287
Silver Strand	74,704	58,300	133,004
Roughwater	25,500		25,500
Lost Eagle	5,000		5,000
Revett Niagara	19,500		19,500
Copper Camp	19,500		19,500
Less Accumulated			
Amortization	(55,954)	(41,844)	(97,798)
Total	$ 518,250	$ 486,193	$ 1,004,444

During the year ended December 31, 2008, the Company capitalized interest charges of $28,722 as deferred development costs.

Grenfel
The Company's Grenfel property is a leasehold interest covering the mineral rights of 68 acres located at the New Jersey Mine area of interest. The lease was acquired from Mine Systems Design ("MSD") in 2001 in exchange for 1,000,000 shares of the Company s common stock. The 1,000,000 shares were valued at $0.10 per share, which approximated the market price for the restricted common stock on the date of the lease. MSD is also a major shareholder of the Company and is owned by Fred Brackebusch and Grant Brackebusch, officers and directors of the Company. The lease has a fifteen year term, and includes a 3% net smelter return (NSR) royalty that will be paid to MSD on any production achieved from the property.

Coleman
The Coleman property is located at the New Jersey Mine area of interest and consists of 62 acres of patented mining

claims, mineral rights to 108 acres of fee land, and approximately 130 acres of unpatented mining claims. The Coleman property was acquired in October 2002, with the acquisition of Gold Run Gulch Mining Company.

New Jersey Mining Company
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Notes to Financial Statements
6. Mineral Properties, continued:

Silver Strand

The Silver Strand mine consists of 15 unpatented claims and was acquired from Trend Mining Company (Trend) in 2000. The property was purchased in exchange for 50,000 shares of the Company s common stock and a 1.5% NSR royalty initially capped at $50,000 and then decreasing to 0.5% . In July of 2001, MSD assumed Trend s position in the agreement, and retained the NSR royalty interest. Deferred development includes asset retirement costs of $33,200.

Niagara Project

The Company signed an exploration agreement with Revett Metals Associates (RMA) in December 2006. The exploration agreement has a term of five years, beginning on December 2, 2006, and is for nine unpatented claims that cover the deposit. In addition, the exploration agreement covers an area of mutual interest within ½ mile of the property excluding properties which are valued primarily for their gold mineralization. Upon signing the agreement, the Company issued 30,000 shares of restricted common stock valued at $0.50 to RMA and paid $4,500. At each anniversary of the signing, the Company has agreed to pay $3,000 and issue 30,000 shares of restricted common stock to RMA. Any time prior to the expiration of the exploration agreement, the Company can exercise an option to convert the exploration agreement to a mining agreement. If exercised, the mining agreement would have a term of 25 years, and the Company would pay a NSR royalty to RMA of 3.0% on ores or concentrates mined on the property. The Company is granted the option to purchase 90% of the NSR royalty from RMA for $2,500,000 which would leave a remaining royalty of 0.3% .

Copper Camp

The Company signed an exploration agreement with RMA in November 2007. The exploration agreement has a term of five years, beginning on November 28, 2007, and is for nine unpatented claims that cover the prospect. In addition, the exploration agreement covers an area of mutual interest within ½ mile of the property, excluding properties which are valued primarily for their gold mineralization. Upon signing the agreement, the Company issued 30,000 shares of restricted common stock valued at $0.50 to RMA and paid $4,500. At each anniversary of the signing, the Company has agreed to pay $3,000 and issue 30,000 shares of restricted common stock to RMA. Any time prior to the expiration of the exploration agreement, the Company can exercise an option to convert the exploration agreement to a mining agreement. If exercised, the mining agreement would have a term of 25 years, and the Company would pay a NSR royalty to RMA of 3.0% on ores or concentrates mined on the property. The Company is granted the option to purchase 90% of the NSR royalty from RMA for $2,500,000 which would leave a remaining royalty of 0.3% .

Roughwater/Silver Button

The Silver Button claim is the remaining property of the ten claims acquired from Roughwater Mining Company. During 2005, the other nine Roughwater unpatented claims were dropped. In 2001, the Company purchased the property through the issuance of 255,000 shares of its common stock to Roughwater Mining Company. The shares were valued at $0.10 per share, for a total acquisition cost of $25,500.

Lost Eagle

Lost Eagle is a gold and silver exploration project consisting of five claims covering 100 acres of federal land administered by the U.S. Forest Service. In 2001, the Company issued 50,000 shares of stock to an individual to acquire the property. The shares were valued at $0.10 per share for a total acquisition cost of $5,000.

New Jersey Mining Company
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Notes to Financial Statements
6. Mineral Properties, continued

Wisconsin Teddy
The Wisconsin Teddy is an exploration project that lies north of the New Jersey Mine and covers 83 acres of unpatented claims on federal land administered by the U.S. BLM. The project has no carrying value.

Zanetti Mining Lease
The Company has been assigned a mining lease with William Zanetti. The lease provides for the Company's exploration, development and mining of minerals on fee land through October 2008 and thereafter, as long as mining operations are deemed continuous. The lease provides for production royalties of 5% of net sales of ores or concentrates. Additional production royalties of 1% to 5% are due if gold exceeds a certain price per troy ounce as adjusted annually by the CPI. At December 31, 2008, the gold price that would cause additional production royalties to be payable was $697 per troy ounce. Also, advance royalties of $500 are required annually under the lease. These advance royalties are charged to expense as incurred, but are still accumulated and will be credited against production royalty obligations if and when production ensues. The lessor may terminate the lease upon the Company's failure to perform under the terms of the lease; and the Company has the right to terminate the lease at any time.

Golden Chest Mining Leases
On January 3, 2005, the Company signed a mining lease on the Golden Chest with Metaline Contact Mines (MTLI) and J.W. Beasley Interests, LLC (JWBI) that covers about 270 acres. The Company completed a pre-feasiblity study on an open pit resource drilled by Newmont Exploration Limited and issued 50,000 shares of its restricted common stock to both MTLI and JWBI to exercise the mining lease. The term of the lease is fifteen years and as long thereafter as Leased Substances are mined, processed or marketed from the property. A NSR royalty of 3% is payable to the Lessors. An additional NSR royalty up to a maximum 3% is payable based on a sliding scale of increasing gold prices adjusted by the CPI using June 2003 (CPI = 183.7) as the base. See table below.

Sliding Scale for Additional NSR Royalty:

Price of Gold, $ / Troy Ounce (using December 2008 CPI-U)	Additional NSR Royalty
< $458	None
$458 to $515	1.0%
$515 to $572	1.5%
$572 to $629	2.0%
> $629	3.0%

Finally, the Company will issue 50,000 shares of restricted common stock for each increment of 10,000 troy ounces of gold production.

On January 3, 2005, the Company signed a mining lease with Prichard Creek Resource Partners, LLC that covers about 41 acres of unpatented lode claims. Upon exercising the lease the Company issued 30,000 shares of restricted common stock to Prichard Creek Resource Partners. The term of the lease is fifteen years and as long thereafter as Leased Substances are mined, processed or marketed from the Leased Premises. A NSR royalty of 3% is payable to the Lessors. An additional NSR royalty is based on the same sliding scale, presented in the table above, is also payable to Prichard Creek Resource Partners. Finally, if commercial production is commenced from these claims a one-time

payment of 30,000 shares of the Company s common stock is payable to Prichard Creek Resource Partners.

New Jersey Mining Company
(A Development Stage Company)
Notes to Financial Statements
7. Asset Retirement Obligation ARO

On January 1, 2008, the Company established an asset retirement obligation of $27,350 associated with the ultimate closing of its Silver Strand property. The estimated reclamation costs was discounted using a credit-adjusted risk-free interest rate of 5.45% from the time the obligation was incurred until the Company expects to pay the retirement obligation, or five years. During 2008, accretion of approximately $1,000 and an additional layer of reclamation costs of approximately $4,750 were added to the obligation balance. At December 31, 2008, the balance of the asset retirement obligation is $33,200.

8. Mining Venture Agreements

Silver Star Venture Agreement
The Company and Silverstar Mining Corp. ("Silverstar") entered into a Mining Venture Agreement on April 1, 2008, relating to the Silver Strand Property. During the three months ended June 30, 2008, Silverstar paid the Company $270,000 of $500,000 to acquire a 50% mining rights and property interest in the Silver Strand property. On July 31, 2008 Silverstar defaulted on the terms of the agreement by not making the final payment when due on July 31, 2008. The Company was not required to refund the initial $270,000 deposit and recognized it as income in the third quarter of 2008.

Newmont Venture Agreement
The Company entered into a venture agreement with Newmont North America Exploration Limited ("Newmont") in March 2008, relating to exploration of the Company's Toboggan Project. Newmont is conducting exploration in a 38 square mile area centered on the prospects that the Company has staked in the past two years. To earn a participating interest in the Venture, Newmont is required to contribute $2,000,000 in exploration expenditures as follows: $300,000 on or before March 2009, an additional $700,000 by March 2010, and an additional $1,000,000 by March 2011.

9. Income Taxes

The Company did not record an income tax provision for the years ended December 31, 2008 or 2007, as it had no taxable income. At December 31, 2008 and 2007, the Company had federal net operating loss carry forwards available for income tax purposes of approximately $5,867,000 and $4,443,000, respectively, which will expire through 2028, and associated deferred tax assets of approximately $1,994,800 and $1,510,700, respectively. The deferred tax assets were calculated assuming a 34% marginal tax rate, and have been fully reserved as management believes it is more likely than not that the deferred tax assets will not be utilized.

The Company s net operating loss carry forwards expire as follows:

Years		Carry Forwards
2017	$	33,000
2018		27,000
2021		4,000
2022		36,000
2023		380,000
2024		930,000
2025		590,000

2026		990,000
2027		1,453,000
2028		1,424,000
Total	$	5,867,000

New Jersey Mining Company
(A Development Stage Company)
Notes to Financial Statements
10. Equity

The Company has authorized 50,000,000 shares of no par common stock. In addition, the Company has authorized 1,000,000 shares of no par preferred stock, none of which had been issued at December 31, 2008 or 2007.

Private Placements

On February 12, 2007, the Company completed an offering of units consisting of its common stock and common stock purchase warrants, in a non-brokered private placement. The Company sold 2,684,584 units at $0.40 per unit and generated $1,073,819 in net proceeds. Of this, 121,250 units and $48,500 in net proceeds occurred in 2006. Each unit consisted of one share of the Company s restricted common stock plus one half warrant, whereby each whole warrant could purchase one share of the Company s restricted common stock at $0.55 per share until December 31, 2008.

On November 13, 2007, the Company completed an offering of units consisting of its common stock and common stock purchase warrants, in a non-brokered private placement. The Company sold 1,451,427 units at $0.35 per unit and generated $507,600 in net proceeds. Each unit consisted of one share of the Company s restricted common stock plus one warrant, whereby each warrant could purchase one share of the Company s restricted common stock at $0.50 per share until August 31, 2009.

Exercise of Stock Purchase Warrants
During 2008 and 2007common stock purchase warrants were exercised by warrant holders that had purchased units of common stock and common stock purchase warrants during the Company's previous private placement offerings. During 2008, the Company issued 4,350,000 shares of its restricted common stock at $0.40 per share, generating net proceeds of $1,740,000 pursuant to the exercise of these warrants. During 2007, the Company issued 200,000 shares of its restricted common stock at $0.60 per share, generating net proceeds of $120,000 pursuant to the exercise of these warrants.

Stock Purchase Warrants Outstanding
Transactions in common stock purchase warrants for the years ended December 31, 2008 and 2007, are as follows:

	Number of Warrants		Exercise Prices
Balance, December 31, 2006	5,088,875	$	0.50-0.60
Issued in connection with private placement	2,733,095		0.50-0.55
Exercised	(200,000)		0.60
Balance, December 31, 2007	7,621,970		0.50-0.60
Exercised	(4,350,000)		0.40
Expired	(1,595,293)		0.50-0.60
Balance, December 31, 2008	1,676,677		0.50-0.60

These warrants expire as follows:

Shares	Exercise Price	Expiration Date
1,451,427	$0.50	August 31, 2009
225,250	$0.60	June 1, 2010
1,676,677		

New Jersey Mining Company
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Notes to Financial Statements
10. Equity, continued:

Common Stock Issued for Property, Plant and Equipment
During 2008 and 2007, the Company issued 14,000 and 20,756 shares, respectively, of its restricted common stock for Property, Plant and Equipment purchased. The Company recorded $5,600 and $10,239, respectively, during 2008 and 2007, based upon the value of the equipment purchased and shares issued.

Common Stock Issued for Services
During 2008 and 2007, the Company issued 74,000 and 52,104 shares, respectively, of its restricted common stock for services rendered the Company. The Company recorded $32,000 and $27,157, respectively, based upon the value of the services rendered and the shares issued.

11. Related Party Transactions

Fred Brackebusch is President, Treasurer, and a Director of the Company. Grant Brackebusch, Fred Brackebusch's son, is the Vice-President and a Director of the Company. Grant Brackebusch's wife, Tina Brackebusch, is the Company's Corporate Secretary. Fred Brackebusch and Grant Brackebusch own 89.6% and 10.4%, respectively of Mine Systems Design, Inc. ("MSD"), a firm that has various related party transactions with the Company.

In addition to the related party transactions described in Note 6 and 12 the Company had the following transactions with related parties:

- During the years ended December 31, 2008 and 2007, the Company issued 198,700 and 154,386 shares, respectively, of its restricted common stock valued at $72,000 and $82,500, respectively, to Fred Brackebusch for management services. During 2008 and 2007 the Company issued 20,000 and 20,000 shares respectively, of its restricted stock valued at $6,000 and $10,000, respectively, to Tina Brackebusch for services as the Corporate Secretary.
- During each of the years ended December 31, 2008 and 2007, the Company issued 100,000 shares of its restricted common stock to members of the Board of Directors for their services as directors. These stock awards were recorded as directors' fees of $30,000 and $50,000, respectively, based upon the estimated value of the shares issued and services rendered. Fred and Grant Brackebusch each received 20,000 shares in both 2008 and 2007 as Directors of the Company.
- During each of the two years ended December 31, 2008 and 2007 the Company paid $6,000 to MSD for office rent.

12. Investment in Marketable Security

In 2006, the Company purchased 1,875,000 common shares of Gold Crest Mines Inc for $7,500. In 2007 the Company sold 242,200 of those shares for $71,078 which included a gain of $70,109, no additional shares were sold in 2008.

At December 31, 2008, the Company held 1,632,800 shares with a market value of $0.01 per share, for a total market value of $16,328. At December 31, 2008, the excess market value of $9,796 over the $6,531 remaining cost basis of the shares was recognized as accumulated other comprehensive income in the equity section of the Company s balance sheet.

The Company s president became a director of Gold Crest in 2006. He resigned in February of 2008.

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Notes to Financial Statements
13. Commitments and Contingencies

The Company owns or leases several mineral properties located in the Coeur d Alene River Basin. In recent years, certain other companies involved in mining activities on property interests upland of the Coeur d'Alene River Basin have been identified as potentially responsible parties under the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 (CERCLA), and have entered into consent decrees with the EPA and the state of Idaho, concerning environmental remediation obligations and damages to or loss of natural resources in the Coeur d'Alene River Basin. The Company has not received any notification of a pending action or proceeding against the Company relating to environmental claims or assessments. It is possible, however, that the Company s obligation could change in the near or longer term, and the resultant liability or claim for damages could have a material adverse effect on the Company.

ITEM 9

CHANGES IN AND DISAGREEMENTS WITH ACCOUNTANTS ON ACCOUNTING AND FINANCIAL DISCLOSURE

None

ITEM 9A(T).

CONTROLS AND PROCEDURES

Disclosure Controls and Procedures

At December 31, 2008, our President who also serves as our Chief Accounting Officer evaluated the effectiveness of the design and operation of our disclosure controls and procedures pursuant to Rule 13a-15(e) of the Securities Exchange Act of 1934 (the Exchange Act), which disclosure controls and procedures are designed to insure that information required to be disclosed by a company in the reports that it files under the Exchange Act is recorded, processed, summarized and reported within required time periods specified by the Securities & Exchange Commission rules and forms.

Based upon that evaluation, it was concluded that our disclosure controls were effective as of December 31, 2008, to ensure timely reporting with the Securities and Exchange Commission. Specifically, the Company s corporate governance and disclosure controls and procedures provided reasonable assurance that required reports were timely and accurately reported in our periodic reports filed with the Securities and Exchange Commission.

Internal Control over Financial Reporting

Management s Annual Report on Internal Control Over Financial Reporting

The management of New Jersey Mining Company is responsible for establishing and maintaining adequate internal control over financial reporting. This internal control system has been designed to provide reasonable assurance to the Company s management and Board of Directors regarding the preparation and fair presentation of the Company s published financial statements.

All internal control systems, no matter how well designed, have inherent limitations. Therefore, even those systems determined to be effective can provide only reasonable assurance with respect to financial statement preparation and presentation.

The management of New Jersey Mining Company has assessed the effectiveness of the Company s internal control over financial reporting as of December 31, 2008. To make this assessment, we used the criteria for effective internal control over financial reporting described in *Internal Control-Integrated Framework,* issued by the Committee of Sponsoring Organizations of the Treadway Commission. Based on our assessment, we believe that, as of December 31, 2008, the Company s internal control over financial reporting is effective.

This annual report does not include an attestation report of the Company's registered public accounting firm regarding internal control over financial reporting. Management's report was not subject to attestation by the Company's registered public accounting firm pursuant to temporary rules of the Securities and Exchange Commission that permit the company to provide only management's report in this annual report.

Fred Brackebusch, President, CEO and CFO
New Jersey Mining Company

Internal Control over Financial Reporting, continued:

Because of the inherent limitations in all control systems, no evaluation of controls can provide absolute assurance that all control issues and instances of fraud, if any, within our Company have been detected. These inherent limitations include the realities that judgments in decision-making can be faulty, and that breakdowns can occur because of simple error or mistake. Controls can also be circumvented by the individual acts of some persons, by collusion of two or more people, or by management override of the controls. The design of any system of controls is based in part upon certain assumptions about the likelihood of future events, and any design may not succeed in achieving its stated goals under all potential future conditions.

Over time, controls may become inadequate because of changes in conditions or deterioration in the degree of compliance with policies or procedures. Because of the inherent limitation of a cost-effective control system, misstatements due to error or fraud may occur and not be detected.

Changes in internal control over financial reporting.

The President and Principal Accounting Officer conducted evaluations of our internal controls over financial reporting to determine whether any changes occurred during the quarter ended December 31, 2008 that have materially affected, or are reasonably likely to materially affect, the Company s internal control over financial reporting. There was no material change in internal control over financial reporting in the quarter ended December 31, 2008.

ITEM 9B

OTHER INFORMATION

None.

PART III

ITEM 10.

DIRECTORS, EXECUTIVE OFFICERS, AND CORPORATE GOVERNANCE;

Name & Address	Age	Position	Date First Elected
Fred W. Brackebusch P.O. Box 1019 Kellogg, Idaho 83837	64	President, Director & Treasurer	7/18/1996
Grant A. Brackebusch P.O. Box 131 Silverton, ID 83867	39	Vice President & Director	7/18/1996
Ivan R. Linscott 7150 Burke Road Wallace, ID 83873	66	Director	9/21/2004
William C. Rust (1) P.O. Box 648 Wallace, ID 83873	62	Director	9/21/2004
M. Kathleen Sims (1) 2745 Seltice Way	64	Director	9/25/2003

Coeur d Alene, ID 83814			
Tina C. Brackebusch P.O. Box 131 Silverton, ID 83867	39	Secretary	1/1/1997

(1) Member of the Audit Committee

Directors are elected by shareholders at each annual shareholders meeting to hold office until the next annual meeting of shareholders or until their respective successors are elected and qualified.

Fred W. Brackebusch, P.E. has served as Chairman of the Board, President, Chief Executive Officer and Treasurer of the Company since 1996. He has a B.S. and an M.S. in Geological Engineering both from the University of Idaho. He is a consulting engineer with extensive experience in mine development, mine backfill, mine management, permitting, process control, and mine feasibility studies. He has over 35 years of experience in the Coeur d'Alene Mining District, about half of which was with Hecla Mining Co. He has been the principal owner of Mine Systems Design, Inc., a mining consulting business which is a large shareholder in the Company, since 1987.

Grant A. Brackebusch, P.E. has served as the Vice President and a Director of the Company since 1996. He holds a B.S. in Mining Engineering from the University of Idaho. He worked for Newmont Gold Co. on the Carlin Trend in open pit mine planning and pit supervision for three years. He also has worked with Mine Systems Design, Inc. performing various engineering and geotechnical tasks. He has worked for New Jersey Mining Company since 1996; he supervises the daily operations of the various mining operations, mill operations, performs various engineering tasks, and coordinates environmental permitting.

Ivan R. Linscott, PhD has served as a Director of the Company since 2004. He is a physicist at Stanford University. He is a Senior Research Associate for radioscience spacecraft instrument development and is Co-Investigator and Science Team Member for the New Horizons Mission to encounter the planet Pluto. Dr. Linscott has a strong interest in doing research on exploration techniques in the Coeur d Alene Mining District. He has made significant contributions to the Company s exploration program through the innovative use of geophysical techniques.

William C. Rust has served as a Director of the Company since 2004. He is a metallurgical engineer with extensive experience in the Silver Valley. He worked for Asarco as Chief Metallurgist. Later he worked for CoCa mines at the Grouse Creek mine in Central Idaho and for McCulley, Frick, and Gilman, an environmental consulting firm. He was with Getchell Gold Inc. in Nevada where he was Mill Manager and Senior Metallurgist for a 3,200 ton/day gold plant. Currently, Mr. Rust is self-employed as a metallurgical engineering consultant. Mr. Rust is a member of the Audit Committee.

M. Kathleen Sims has served as a Director of the Company since 2004. She is a successful businesswoman who is majority owner of a Honda car dealership in Coeur d Alene, Idaho. She is a former State Senator in the Idaho Legislature. She is a former member of the State of Idaho Human Rights Commission and is active in the Idaho Republican Party. She has extensive experience in starting a business with all the necessary experience in financing, business plans and management. Ms. Sims is the chairperson of the Audit Committee.

Tina C. Brackebusch has served as Secretary of the Company since 1996. She has served as Office Manager for the Company since 1996. She holds a B.S. in Secondary Education from the University of Idaho and teaches English at Kellogg High School.

Family Relationships

Fred W. Brackebusch is the father of Grant A. Brackebusch. Tina C. Brackebusch is the wife of Grant A. Brackebusch.

Legal Proceedings

No Director or Officer has been involved in any legal action involving the Company for the past five years.

Section 16(a) Beneficial Ownership Reporting Compliance

Under Section 16(a) of the Securities Exchange Act of 1934, as amended, and the regulations thereunder, the Company s Directors, Executive Officers and beneficial owners of more than 10% of any registered class of the Company s equity securities are required to file reports of their ownership of the Company s securities and any changes in that ownership with the SEC. Based solely on its review of copies of these reports and any written representations from such reporting persons, the Company believes that during 2008 such filing requirements were complied with.

Code of Ethics

The Company adopted a Code of Ethics at a Board of Directors meeting on December 9, 2003, that applies to the Company's executive officers. It can be found at the Company s website www.newjerseymining.com. The Company also adopted a Code of Ethics for all employees at the Board of Directors meeting on February 18, 2008.

Board Committee

At a Board of Directors meeting on September 21, 2004, the Directors approved an audit committee comprised of William C. Rust and M. Kathleen Sims. Each member of the audit committee is deemed to be an independent director as that term is defined in Rule 4200(a)(14) of the NASD s listing standards. M. Kathleen Sims is the Audit Committee Financial Expert as defined by Section 407 of the Sarbanes-Oxley Act. The Board adopted an audit committee pre-approval policy. The audit committee is required to pre-approve the audit and non-audit services performed by the independent auditor in order to assure that the provision of such services do not impair the auditor s independence.

ITEM 11.

EXECUTIVE COMPENSATION

Compensation of Officers

A summary of cash and other compensation for Fred Brackebusch, the Company s President and Chief Executive Officer, and Grant Brackebusch, the Company s Vice President, (the Named Executive Officers), for the two most recent years is as follows:

Executive Officer Compensation Table

Name & Principal Position	Year	Salary ($)	Bonus ($)	Stock Awards[1] ($)	Option Awards ($)	Nonequity Incentive Plan Compensation ($)	Nonqualified Deferred Compensation Earnings ($)	All Other Compensation ($)	Total ($)
Fred Brackebusch President	2008	84,000	0	76,000	0	0	0	0	160,000
	2007	75,000	0	92,500	0	0	0	0	167,500
Grant Brackebusch Vice Pres.	2008	95,000	0	6,000	0	0	0	0	101,000
	2007	88,500	0	10,000	0	0	0	0	98,500

(1) Stock Awards include fees earned as Directors.

There is no employment agreement between the Company and Fred Brackebusch, and there is no employment agreement between the Company and Grant Brackebusch. The compensation of the Named Executive Officers has been set by disinterested members of the Board of Directors. The Board awarded Fred Brackebusch restricted Common Stock in addition to his salary, for 2007 and 2008, for any hours worked over 130 hours per month at a rate

of $150 per hour. The number of shares to be awarded is calculated quarterly by using the average bid price of the Company s Common Stock. Shares issued were 154,386 in 2007, and 198,700 in 2008. The shares were valued at an average price of $0.53 per share in 2007, and $0.36 per share in 2008.

The Company does not have a retirement plan for its executive officers and there is no agreement, plan or arrangement that provides for payments to executive officers in connection with resignation, retirement, termination or a change in control of the Company.

In January of 2009, the cash salaries of Fred Brackebusch and Grant Brackebusch were reduced 50% from their 2008 level in an effort to conserve the Company s cash.

Outstanding Equity Awards at Fiscal Year-end

The Company does not currently award the Named Executive Officers options to purchase the Company s shares, and there were not outstanding equity awards as of December 31, 2008.

Director Compensation

A summary of compensation for the Company s non-employee Directors, including Ivan R. Linscott, William C. Rust and M. Kathleen Sims for the two most recent years is as follows:

Director Compensation Table

Name [1]	Year	Fees Earned or Paid in Cash ($)	Stock Awards ($)	Option Awards ($)	Nonequity Incentive Plan Compensation ($)	Nonqualified Deferred Compensation Earnings ($)	All Other Compensation ($)	Total ($)
Ivan R. Linscott	2008	-	6,000	-	-	-	-	6,000
	2007	-	31,200	-	-	-	-	31,200
William C. Rust	2008	-	6,000	-	-	-	-	6,000
	2007	-	10,000	-	-	-	-	10,000
M. Kathleen Sims	2008	-	6,000	-	-	-	-	6,000
	2007	-	10,000	-	-	-	-	10,000

(1) Directors Fred W. Brackebusch and Grant A. Brackebusch are executive officers of the Company, therefore, disclosure regarding their compensation as Directors is included in the Executive Officer Compensative Table above

During 2007, each of the Directors of the Company were paid 20,000 shares of restricted Common Stock valued at $10,000. At a Board of Directors meeting on May 27, 2008, the Directors approved a compensation plan for the Board of Directors under which each Director receives 20,000 shares of restricted Common Stock. In 2008 these shares were valued at $6,000. No additional fees are paid for attendance at Board of Directors meetings, committee membership or committee chairmanship. On occasion, Directors are retained for consulting services unrelated to their duties as Directors. These consulting services are either paid in cash or with restricted Common Stock according to the Company s policy for share-based payment of services.

The Company does not have a retirement plan for its Directors and there is no agreement, plan or arrangement that provides for payments to Directors in connection with resignation, retirement, termination or a change in control of the Company.

ITEM 12.

SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT AND RELATED STOCKHOLDER MATTERS

The following table sets forth information as of March 10, 2009 regarding the shares of Company Common Stock beneficially owned by: (i) each person known by the Company to own beneficially more than 5% of the Company s Common Stock; (ii) each Director of the Company; (iii) the CEO and CFO of the Company (the Named Executive Officers); and (iv) all Directors and the Named Executive Officers of the Company as a group. Except as noted below, each holder has sole voting and investment power with respect to the shares of the Company Common Stock listed as owned by that person.

Security Ownership of Certain Beneficial Owners

Title of Class	Name and Address Of Beneficial Owner	Amount and Nature of Beneficial Owner	Percent of Class[1]
Common	Fred W. Brackebusch P.O. Box 1019 Kellogg, Idaho 83837	7,915,757 indirect (a) 1,076,705 direct	24.19%
Common	Constance Meisel 105 East Atlantic Avenue Delray Beach, FL 33444	3,158,607	8.50%
Common	Terry & Marguerite Tyson County Road U Lipscomb, TX 79056	1,608,528 direct 933,900 indirect	6.84%
Common	William Ritger Ocean Royale Way Juno Beach, FL 33408	1,930,000 (b)	5.19%

(1)Based upon 37,169,692 outstanding shares of common stock at March 10, 2009.

(a) Fred Brackebusch owns 89.6% of Mine Systems Design, Inc. (MSD) which is an S corporation that owns 8,834,550 common shares of the Company. Neither MSD nor Fred Brackebusch has the right to acquire any securities pursuant to options, warrants, conversion privileges or other rights.

(b) William Ritger holds 600,000 warrants exercisable at a price of $0.50 with an expiration date of August 31, 2009.

Security Ownership of Management

Title of Class	Name and Address of Beneficial Owner	Amount and Nature of Beneficial Owner	Percent of Class[1]
Common	Fred W. Brackebusch 89 Appleberg Road Kellogg, Idaho 83837	7,915,757 indirect (a) 1,076,705 direct	24.19%
Common	Grant A. Brackebusch 89 Appleberg Road Kellogg, Idaho 83837	1,016,793 indirect (b) 337,920 direct	3.64%
Common	Ivan R. Linscott, Director 7150 Burke Road Wallace, Idaho 83873	110,500	0.30%
Common	William C. Rust, Director P.O. Box 648 Wallace, Idaho 83873	70,000	0.19%
Common	M. Kathleen Sims, Director 2745 Seltice Way Coeur d Alene, Idaho 83814	83,000	0.22%
Common	All Directors and Executive Officers as a group (5	10,610,675	28.55%

	individuals)		

(1) Based upon 37,169,692 outstanding shares of common stock at March 10, 2009.

(a) Fred Brackebusch owns 89.6% of Mine Systems Design, Inc. (MSD) which is an S corporation that owns 8,834,550 common shares of the Company. Neither MSD nor Fred Brackebusch has the right to acquire any securities pursuant to options, warrants, conversion privileges or other rights.

(b) Grant Brackebusch owns 10.4% of Mine Systems Design, Inc. (MSD) which is an S corporation that owns 8,834,550 common shares of the Company. Neither MSD nor Grant Brackebusch has the right to acquire any securities pursuant to options, warrants, conversion privileges or other rights.

None of the Directors or Officers has the right to acquire any securities pursuant to options, warrants, conversion privileges or other rights. No shares are pledged as security.

Securities Authorized for Issuance under Equity Plans

The Company does not have an equity compensation plan for issuance of warrants, options or rights. However, the Board of Directors has awarded Fred Brackebusch restricted Common Stock in addition to his salary, for 2007 and 2008, for any hours worked over 130 hours per month at a rate of $150 per hour. The number of shares to be awarded is calculated quarterly by using the average bid price of the Company s Common Stock. The Company also occasionally pays for goods or services with restricted Common Stock and uses the average bid price of the stock at the time to determine the number of shares to be issued.

Changes in Control

None.

ITEM 13.

CERTAIN RELATIONSHIPS AND RELATED TRANSACTIONS, AND DIRECTOR INDEPENDENCE

Certain Relationships and Related Transactions

During each of the years ended December 31, 2008 and 2007, the Company issued 120,000 shares of its restricted common stock to members of the Board of Directors and Officers for their services. These stock awards were recorded as directors' fees of $30,000 and $50,000, respectively, for directors and $6,000 and $10,000, respectively, for management based upon the estimated value of the shares issued and services rendered. Fred, Grant, and Tina Brackebusch each received 20,000 shares in 2008 and 20,000 shares in 2007 as Directors or Officers in each respective year.

During the years ended December 31, 2008 and 2007, the Company issued 198,700 and 154,386 shares, respectively, of its restricted common stock valued at $72,000 and $82,500, respectively, to Fred Brackebusch for management services.

During each of the two year s ended December 31, 2008 and 2007, the Company paid $6,000 to MSD for office rent.

During the year ended December 31, 2007 the Company issued 30,500 shares of its restricted common stock valued at $21,200 to Ivan Linscott, a Director, for exploration services.

Director Independence

The Board of Directors has determined that each of the following Directors is an independent director as such term is defined by the rules of the Financial Industry Regulatory Authority (FINRA), and the Securities and Exchange Commission (SEC): Ivan R. Linscott, William C. Rust, and M. Kathleen Sims. These three Directors comprise a majority of the Board of Directors. The rules of FINRA and the SEC generally provide that an independent director is a person other than an officer or employee of the Company or any individual having a relationship that, in the opinion of the Board of Directors, would interfere with the exercise of independent judgment in carrying out the responsibilities of a Director. The FINRA rules also provide specific criteria that, if met, disqualify a director from being independent.

The Board of Directors does not have separately designated nominating or compensation committees. The entire Board performs these functions. At a Board of Directors meeting on September 21, 2004, the Directors approved an audit committee comprised of William C. Rust and M. Kathleen Sims. Each member of the audit committee is deemed to be an independent director as that term is defined in Rule 4200(a)(14) of the NASD s listing standards. M. Kathleen Sims is the chairperson of the Audit Committee and the Audit Committee Financial Expert as defined by Section 407 of the Sarbanes-Oxley Act.

ITEM 14.

PRINCIPAL ACCOUNTANT FEES AND SERVICES

Audit Fees

The aggregate fees billed for professional services rendered by the Company s principal accountant for the audit of the annual financial statements included in the Company s annual report on Form 10-K for the fiscal year ended December 31, 2008 and Form 10-KSB for the fiscal year ended December 31, 2007 and the review for the financial statements included in the Company s quarterly reports on Form 10-Q during those fiscal years, were $30,208 and $28,384 respectively.

Audit Related Fees

The Company incurred no fees during the last two fiscal years for assurance and related services by the Company s principal accountant that were reasonably related to the performance of the audit or review of the Company s financial statements, and not reported under Audit Fees above.

Tax Fees

The Company incurred no fees during the last two fiscal years for professional services rendered by the Company s principal accountant for tax compliance, tax advice and tax planning.

All Other Fees

The Company incurred no other fees during the last two fiscal years for products and services rendered by the Company s principal accountant.

Audit Committee Pre-Approval Policies

The Board of Directors has adopted an audit committee pre-approval policy. The audit committee is required to pre-approve the audit and non-audit services performed by the independent auditor in order to assure that the provision of such services do not impair the auditor s independence.

PART IV

ITEM 15.

EXHIBITS

(3)(i)	Articles of Incorporation-Filed as an exhibit to the registrant's registration statement on Form 10- SB (Commission File No. 000-28837) and incorporated by reference herein.
(3)(ii)	Bylaws-Filed as an exhibit to the registrant's registration statement on Form 10-SB (Commission File No. 000-28837) and incorporated by reference herein.
(10)(1)	Lease Agreement with William Zanetti-Filed as an exhibit to the registrant's registration statement on Form 10-SB (Commission File No. 000-28837) and incorporated by reference herein.
(10)(2)	Articles of Merger For Plainview Mining Company Inc. and New Jersey Mining Co.-Filed as an exhibit to the registrant's registration statement on Form 10-SB (Commission File No. 000-28837) and incorporated by reference herein.
(10)(3)	Lease Agreement with Mine Systems Design, Inc.-Filed as an exhibit to the registrant's annual report on Form 10-KSB for the year ended December 31, 2001 and incorporated by reference herein.
(10)(4)	Articles of Merger for Gold Run Gulch Mining Company and New Jersey Mining Co.-Filed as an exhibit to the registrant's annual report on Form 10-KSB for the year ended December 31, 2002 and incorporated by reference herein.
(10)(5)	Exploration Agreement and Option to Lease between Paymaster Resources, Inc. and New Jersey Mining Company with the approval of J.W. Beasley Interests LLC.-Filed as an exhibit to the registrant s annual report on Form 10-KSB for the year ended December 31, 2003 and incorporated by reference herein.
(10)(6)	Exploration Agreement and Option to Lease between Prichard Creek Resource Partners LLC and New Jersey Mining Company.-Filed as an exhibit to the registrant s annual report on Form 10- KSB for the year ended December 31, 2003 and incorporated by reference herein.
(10)(7)	Exploration Agreement and Option to Convert to Mining Agreement between RMA and New Jersey Mining Company. Filed as an exhibit to the registrant s annual report on Form 10-KSB for the year ended December 31, 2006 and incorporated by reference herein.
(10)(8)	Exploration Agreement and Option to Convert to Mining Agreement between RMA and New Jersey Mining Company. Filed as an exhibit to the registrant s annual report on Form 10-KSB for the year ended December 31, 2007.
(14)	Code of Ethics.-Filed as an exhibit to the registrant s annual report on Form 10-KSB for the year ended December 31, 2003, and incorporated by reference herein.
(16)	Letter on Change in Certifying Accountant.-Filed as an 8-K report on December 10, 2003 and later filed as an 8-K/A on February 2, 2004, and incorporated by reference herein.
(31)	Rule 13a-15(e)/15d-15(e) Certifications
(31)(i)	Certification of Fred W. Brackebusch
(32)	Section 1350 and Rule 13a-15(d) Certifications
(32)(i)	Certification of Fred W. Brackebusch
(99)(i)	Audit Committee Pre-Approval Policies.-Filed as an exhibit to the registrant s annual report on Form 10-KSB for the year ended December 31, 2003 and incorporated by reference herein.

SIGNATURES

In accordance with the Exchange Act, this report has been signed below by the following persons on behalf of the registrant and in the capacities and on the dates indicated.

New Jersey Mining Company

Date: April 7, 2009	By	/s/ FRED W. BRACKEBUSCH Fred W. Brackebusch, President, Treasurer & Director
Date: April 7, 2009	By	/s/ GRANT A. BRACKEBUSCH Grant A. Brackebusch, Vice President & Director
Date: April 7, 2009	By	/s/ IVAN R. LINSCOTT Ivan R. Linscott, Director
Date: April 7, 2009	By	/s/ WILLIAM C. RUST William C. Rust, Director
Date: April 7, 2009	By	/s/ M. KATHLEEN SIMS M. Kathleen Sims, Director