

Edgar Filing: RIO TINTO PLC - Form 425

RIO TINTO PLC
Form 425
July 29, 2008

Filed by: BHP Billiton Plc
and BHP Billiton Limited

Pursuant to Rule 425 under the Securities Act of 1933

Subject Company: Rio Tinto plc

Commission File No.: 001-10533

The following are slides comprising a presentation that was given by Marcus Randolph, Chief Executive Ferrous and Coal, BHP Billiton to the Securities & Derivatives Industry Association on July 29, 2008.

Securities & Derivatives Industry Association
Marcus Randolph
29 July 2008
Securities & Derivatives Industry Association
Marcus Randolph
29 July 2008
BHP Billiton

Strength, Stability and Growth
BHP Billiton
Strength, Stability and Growth

Slide 2
Slide 2
Slide 2
Slide 2
Slide 2
Slide 2
Slide 2

Slide 2

Slide 2

Slide

Disclaimer

This document has been prepared by BHP Billiton Limited and BHP Billiton Plc ("BHP Billiton") and comprises the written material in connection with BHP Billiton's offers for Rio Tinto Limited and Rio Tinto plc ("Rio Tinto"). By reviewing/attending this presentation you agree to be bound by the terms and conditions of the offer. The directors of BHP Billiton accept responsibility for the information contained in this presentation. Having taken all reasonable care, the information contained in this presentation is, to the best of the knowledge and belief of the directors of BHP Billiton, in accordance with the requirements to affect its import.

Subject to the above, neither BHP Billiton nor any of its directors, officers, employees or advisers nor any other person makes any representation as to, and accordingly no reliance should be placed on, the fairness, accuracy or completeness of the information contained in this presentation. To the extent permitted by law, neither BHP Billiton nor any of its directors, officers, employees or advisers nor any other person is responsible for any omissions or any loss howsoever arising, directly or indirectly, from any use of this information or its contents or otherwise. This presentation is for information purposes only and does not constitute or form part of any offer or invitation to acquire, sell or dispose of any offer to sell or otherwise dispose of, purchase or subscribe for, any securities, nor does it constitute investment advice, nor is it to be distributed from the basis of, or be relied on in connection with, any contract or investment decision, nor does it constitute a recommendation or any vote or approval in any jurisdiction, nor shall there be any

sale of securities in any jurisdiction in which such offer, solicitation or sale would be unlawful prior to registration or qualification

under

the

securities

laws

of

any

such

jurisdiction

(or

under

an

exemption

from

such

requirements).

No

offering

of

securities

shall

be

made

into

the

United

States

except pursuant to registration under the US Securities Act of 1933, as amended, or an exemption therefrom.

Neither this presentation nor any copy of it may be taken or transmitted or distributed or redistributed (directly or indirectly) in any jurisdiction

may

be

restricted
by
law
and
persons
into
whose
possession
this
document
comes
should
inform
themselves
about,
and
observe,
any
such
restrictions.

Information about Rio Tinto is based on public information which has not been independently verified.

This presentation is directed only at persons who (i) are persons falling within Article 49(2)(a) to (d) ("high net worth companies") or (ii) are persons falling within Article 19(5) of the Order or (iii) are outside the United Kingdom (all such persons being referred to as "relevant persons") or relied on by persons who are not relevant persons.

Certain statements in this presentation are forward-looking statements. The forward-looking statements include statements regarding the cost and timing of development projects, future production volumes, increases in production and infrastructure capacity, the identification of additional mineral Reserves and

Resources
and
project
lives
and,
without
limitation,
other
statements
typically
containing
words
such
as
"intends",
"expects",
"anticipates",
"targets",
"plans",
"estimates"

and words of similar import. These forward-looking statements speak only as at the date of this presentation. These statements and, by their nature, are subject to a number of known and unknown risks and uncertainties that could cause actual results, performance or achievements expressed or implied by such forward-looking statements. The

numerous
assumptions
regarding
BHP
Billiton's
present
and
future
business
strategies
and
the
environments
in
which
BHP
Billiton
and
Rio
Tinto
will
operate
in
the
future
and
such assumptions may or may not prove to be correct.

There are a number of factors that could cause actual results or performance to differ materially from those expressed or implied in the forward-looking statements.

Factors that could cause actual results or performance to differ materially from those described in the forward-looking statements include:

the businesses of BHP Billiton and Rio Tinto and to realise expected synergies from that combination, the presence of a competitive proposal

in
relation
to

Rio Tinto, satisfaction of any conditions to any proposed transaction, including the receipt of required regulatory and anti-trust proposed transaction, the successful completion of any transaction, as well as additional factors such as changes in global, political regulatory forces, future exchange and interest rates, changes in tax rates, future business combinations or dispositions and the Additional risks and factors that could cause BHP Billiton results to differ materially from those described in the forward-look with the US Securities and Exchange Commission (the "SEC"), including BHP Billiton's Annual Report on Form 20-F for the

filings
with
the
SEC,
including
Rio
Tinto's
Annual
Report
on
Form
20-F
for
the
fiscal
year-ended
December
31,
2007,
which
are
available
at
the
SEC's
website

(<http://www.sec.gov>). Other unknown or unpredictable factors could cause actual results to differ materially from those in the opinions expressed in this presentation are subject to change without notice and BHP Billiton expressly

disclaims
any
obligation
(except
as
required
by
law
or
the
rules
of
the

UK Listing Authority and the London Stock Exchange, the UK Takeover Panel, or the listing rules of ASX Limited) or undertakes

forward-looking
statements
contained
herein
to
reflect
any
change
in
BHP
Billiton's
expectations
with
regard
thereto
or
any
change
in
events,
conditions
or
circumstances
on
which any such statement is based.

Slide 3
Slide 3
Slide 3
Slide 3
Slide 3
Slide 3
Slide 3

Slide 3

Slide 3

Slide 3

Disclaimer

(continued)

No statements concerning expected cost savings, revenue benefits (and resulting incremental EBITDA) and EPS accretion in this presentation should be interpreted to mean that the future earnings per share of the enlarged BHP Billiton group for current and future financial years will necessarily match

or exceed the historical

or published earnings per share of BHP Billiton, and the actual estimated cost savings and revenue benefits (and resulting EBITDA) will be greater than, equal to, or less than estimated.

Information Relating to the US Offer for Rio Tinto plc

BHP Billiton plans to register the offer and sale of securities it would issue to Rio Tinto plc US shareholders and Rio Tinto plc Registration Statement (the Registration Statement), which will contain a prospectus (the Prospectus), as well as other re been filed. This communication is not a substitute for any Registration Statement or Prospectus that BHP Billiton may file with U.S. INVESTORS AND U.S. HOLDERS OF RIO TINTO PLC SECURITIES AND ALL HOLDERS OF RIO TINTO PLC A STATEMENT, PROSPECTUS AND ANY OTHER DOCUMENTS MADE AVAILABLE TO THEM AND/OR FILED WIT TRANSACTION, AS WELL AS ANY AMENDMENTS AND SUPPLEMENTS TO THOSE DOCUMENTS, WHEN THEY CONTAIN IMPORTANT INFORMATION.

Investors and security holders will be able to obtain a free copy of the Registration Statement and the Prospectus as well as oth the SEC's website (<http://www.sec.gov>), once such documents are filed with the SEC. Copies of such documents may also be once they are filed with the SEC.

Information for US Holders of Rio Tinto Limited Shares

BHP
Billiton
Limited
is
not
required
to,
and
does
not
plan
to,
prepare
and
file
with
the
SEC
a
registration
statement
in
respect
of
the
Rio
Tinto
Limited
Offer. Accordingly, Rio
Tinto Limited shareholders should carefully consider the following:
Information
Relating
to
the
US
Offer
for
Rio

Tinto
plc
and
the
Rio
Tinto
Limited
Offer
for
Rio
Tinto
shareholders
located
in
the
US

It may be difficult for you to enforce your rights and any claim
you may have arising under the U.S. federal securities laws, since the issuers are located in a
foreign
country,
and
some
or
all
of
their
officers
and
directors
may
be
residents
of
foreign
countries.

You
may
not
be
able
to
sue
a
foreign
company
or
its officers or directors
in a foreign court for violations of the U.S. securities laws. It may be difficult to compel a foreign company and its affiliates to
You
should

be
aware
that
BHP
Billiton
may
purchase
securities
of
either
Rio
Tinto
plc
or
Rio
Tinto
Limited
otherwise
than
under
the
exchange
offer,
such
as in open market
or privately negotiated purchases.
References in this presentation to \$
are

to United States dollars unless otherwise specified.

The Rio Tinto Limited Offer will be an exchange offer made for the securities of a foreign company. Such offer is subject to disclosure requirements that may be different from those of the United States. Financial statements included in the document will be prepared in accordance with the accounting principles of the foreign company and may not be comparable to the financial statements of United States companies.

Slide 4
Slide 4
Slide 4
Slide 4
Slide 4
Slide 4
Slide 4

Slide 4

Slide 4

Slide 4

BHP Billiton: Strength, Stability and Growth

Today: The world's leading diversified mining company

Our past: A proven track record

Our future: The outlook is exciting

The offer for Rio Tinto

With a diversified global portfolio

Aluminium

Base Metals

Diamonds & Specialty Products

Energy Coal

Iron Ore

Manganese

Metallurgical Coal

Petroleum

Stainless Steel Materials

Offices

Note: Location of dots indicative only

Stainless Steel Materials

#3 global nickel producer

Iron Ore

#3 global supplier

of seaborne iron ore

Manganese

#1 global supplier of

seaborne manganese ore

Metallurgical Coal

#1 global supplier of seaborne

traded metallurgical coal

Base Metals

#3 global producer of copper, silver and lead

Aluminium

#4 global producer of bauxite and #4 aluminium

company based on net third party sales

Energy Coal

#4 global supplier of seaborne

export thermal coal

Petroleum

A significant oil and gas exploration

and production business

Diamonds & Specialty Products

EKATI Diamond Mine is one of the world's

largest gem quality diamond producers.

Western Australia: A share in the success
*A\$m

State (Royalties and Taxes)	639
Payments to Local Contractors	384

WA Contract Payments	2956
Wages and Superannuation (employees)	587
Community Contributions * FY 2008 Estimate	23

Slide 7
Slide 7
Slide 7
Slide 7
Slide 7
Slide 7
Slide 7

Slide 7

Slide 7

Slide 7

Slide 7

Slide 7

Slide 7

Creating the world's largest diversified natural resources

company

Sources:

Bloomberg,

Datastream.

a)

Rio Tinto undisturbed market cap as at 31-Oct-2007 was US\$122bn.

Top 10 metals and mining companies

(Market capitalisation as at 17-July-2008, US\$bn)

Rio Tinto

China

Shenhua

Anglo

American

Xstrata

Norilsk

Nickel

Barrick

Gold

Freeport

McMoRan

Anglo

Platinum

BHP Billiton

Vale

0

60

120

180

240

Australian head office

Non-Australian head office

Undisturbed (a)

Slide 8
Slide 8
Slide 8
Slide 8
Slide 8
Slide 8
Slide 8

Slide 8

Slide 8

Slide 8

Led by an experienced management team

Notes:

a)

Andrew Mackenzie's appointment to BHP Billiton was announced on 20-Nov-2007, he has not yet commenced his new role and previously worked at Rio Tinto where he was Chief Executive, Diamonds and Industrial Minerals.

Chairman and Chief Executive Officer

Group Management Committee

Don Argus

Chairman

Chairman of BHP Billiton

Group since June 2001

Chairman of BHP Limited

since April 1999

Marius Kloppers

Chief Executive Officer

15 years resources

experience

15 years at BHP Billiton

Marcus Randolph

Chief Executive Ferrous and Coal

31 years resources experience

9 years at BHP Billiton

Previously worked at Rio Tinto

Alex Vanselow

Chief Financial Officer

19 years resources experience

19 years at BHP Billiton

Karen Wood

Chief People Officer

7 years resources experience

7 years at BHP Billiton

Michael Yeager

Chief Executive Petroleum

27 years resources experience

2 years at BHP Billiton
Alberto Calderon
Chief Commercial Officer

9 years resources experience

2 years at BHP Billiton
Andrew Mackenzie
(a)
Chief Executive Non Ferrous

30 years resources experience

Previously worked at Rio Tinto

Slide 9
Slide 9
Slide 9
Slide 9
Slide 9
Slide 9
Slide 9
Slide 9

Slide 9

Slide 9

Maintaining our commitment to our core strategy

Focus on Tier 1 assets that are large, low-cost and expandable

Focus on the extraction of upstream natural resources

Portfolio diversified by commodity, customer and geography
reducing the volatility of cash flows

Maintenance of a deep diversified inventory of growth options

Focus on export orientated products

Overriding commitment to ethics, safety, environmental
practice and community engagement

Employer of choice, and a preferred partner for countries and
customers

Slide 10
Slide 10
Slide 10
Slide 10
Slide 10
Slide 10
Slide 10

Slide 10

Slide 10

Slide 10

Slide 10

Slide 10

Slide 10

With an overriding commitment to ethics, safety,
environmental practice and community engagement

Sustainable development is fundamental to our success

Our licence to operate depends on responsibly operating our
business:

A track record of being valued by our communities will
contribute to us being considered a company of choice
by
governments, business partners and communities

Improves the ability to attract and retain a skilled and
motivated workforce

Our reputation as an ethical, responsible business will assist
in our ability to attract capital

2007 sustainability report available on our website
www.bhpbilliton.com/bb/sustainableDevelopment.jsp
We aim to be a business that creates a positive legacy

Slide 11
Slide 11
Slide 11
Slide 11
Slide 11
Slide 11
Slide 11
Slide 11

Slide 11

Slide 11

Our past: A proven track record

Slide 12
Slide 12
Slide 12
Slide 12
Slide 12
Slide 12
Slide 12

Slide 12

Slide 12

Our business today a unique diversified portfolio balanced across high margin commodities

Underlying EBITDA

(CY2007, 12 months, US\$bn)

Underlying EBITDA Margin

(a)

(CY2007, 12 months)

Note: Historical financial information has been restated for comparative purposes per note 1 of BHP Billiton's half-year financial report ended 31-Dec-2007. CY2007 represents the 12 months ending 31-Dec-2007. FY2002 EBITDA number are presented in accordance with US GAAP whereas CY2007 is based on IFRS (so underlying EBITDA).

(a) EBITDA margin excludes third party sales.

52%

40%

36%

70%

52%

43%

75%

23%

34%

Iron Ore

Manganese

Metallurgical Coal

Base Metals

Stainless Steel

Materials

Aluminium

Petroleum

Energy Coal

Diamond &

Specialty Products

0

6,000

12,000

18,000

24,000

FY2002

CY2007

4,677

23,623

Iron Ore

Manganese

Metallurgical Coal

Petroleum

Energy Coal

Aluminium

Base Metals

Stainless Steel

Materials

Diamond & Specialty Products

Non

Ferrous

(56%)

Energy

(21%)

Carbon

Steel

Materials

(22%)

Slide 13

Slide 13

A track record of investing early to meet demand

Completed projects

(US\$bn)

Source: BHP Billiton and Rio Tinto annual and half-yearly reports.

Note: Total represents capital expenditure on completed projects.

1.0
2.1
3.9
5.8
7.4
8.7
15.5
7.2
FY2002
FY2003
FY2004
FY2005
FY2006
FY2007
FY2008
Historical completed projects
Completed projects in financial year
Rio Tinto cumulative completed projects
FY2002
Antamina
Typhoon
Tintaya Oxide
FY2003
Escondida Phase IV
San Juan UG
Bream Gas Pipeline
Mozal 2
Zamzama
FY2004
WAIO - Area C
Mt Arthur North
Hillside 3
Ohanet
Cerrejon Zona Norte
WAIO - Prod & Cap Exp
WAIO Acc Exp
FY2005
NWS Train 4
ROD
GOM
WAIO RGP1
Mad Dog
Minerva
Angostura
Panda UG
Dendrobium
BMA Phase 1
FY2006
Escondida Norte
Paranam

Worsley DCP
Escondida Sulphide
WAIO RGP2
FY2007
Spence
BMA Phase 2
Blackwater Coal
FY2008
Genghis Khan
Atlantis South
Pinto Valley
Stybarrow
Koala UG
WAIO RGP3
Ravensthorpe
Yabulu

Slide 14
Slide 14
Slide 14
Slide 14
Slide 14
Slide 14
Slide 14

Slide 14

Slide 14

Slide 14

Slide 14

Slide 14

Slide 14

Most developments have been executed to expectations,
wherever on the globe they are located

Notes:

a)

Selected
projects
>US\$100m
and
managed
by
BHP
Billiton.
Excludes
petroleum
projects.
Performance
relative
to
initial
announced
US\$
budget.

b)

BHP
Billiton
provided
the
latest
update
for
the
status
of
the
Ravensthorpe
project
at
the
announcement
of
its
full
year
2007

preliminary
results

on

22

August

2007.

At

that

time

the

expected

cost

was

212%

of

the

initial

announced

US\$

budget

and

136%

of

the

initial

target

schedule.

Major minerals development projects

commissioned

since

July

2001

(a) (b)

0%

20%

40%

60%

80%

100%

120%

Mozal

2

Hillside 3

Escondida

Phase IV

Escondida

Norte

Escondida

Sulphide

Spence

Mount Arthur
North
MAC
& PACE
WAIO
RGP1
WAIO
RGP2
WAIO
RGP3
Ravensthorpe
Time
Over Budget
Behind
Schedule
Under
Budget
Ahead of
Schedule
Budget

Significant EPS and DPS growth delivered for shareholders

Earnings per share

(US\$ per share)

Note:

(a)

BHP

Billiton s

EPS
represents
reported
underlying
EPS
for
the
financial
year
ending
30
-June.
EPS
in
FY2002
excludes
the
results
of
BHP
Billiton's
Steel
business
which
was
demerged
in
July
2002.
(b)
Two
interim
dividends
were
paid
in
FY2004.
Ordinary dividends per share
(US cents per share)
0.31
0.31
0.56
1.06
1.68
2.34
0.00
0.50
1.00
1.50
2.00

2.50
FY2002
FY2003
FY2004
FY2005
FY2006
FY2007
50% CAGR
13.0
14.5
26.0
28.0
36.0
47.0
0
10
20
30
40
50
FY2002
FY2003
FY2004
FY2005
FY2006
FY2007
29% CAGR
(a)
(b)

Slide 16
Slide 16
Slide 16
Slide 16
Slide 16
Slide 16
Slide 16

Slide 16

Slide 16

Slide 16

Our future: The outlook is exciting

Slide 17
Chinese growth is driving global materials demand
China
USA
Other
Notes:
Seaborne

iron
ore
demand
based
on
import
statistics
-
CRU
data
for
2007,
IISI
data
for
1997.
Energy
consumption
is
all
uses
of
coal,
gas,
oil
and
nuclear,
expressed
as
millions
tonnes
of
oil
equivalent,
2007
data
not
yet
available.
Source:
CRU,
Brook
Hunt,
BP
Statistical
Review
of
World
Energy
(2007),

II.SI.

a)

Consumption

growth

calculated

based

on

the

change

in

annual

consumption

between

years

ended

1997

and

2007,

expect

for

Energy

consumption

which

is

based

on

the

period

between

1995

and

2006..

Change in global consumption

(%, 1997-2007

(a)

)

7 %

(2)%

(4)%

(14)%

57 %

7 %

16 %

50 %

36 %

96 %

88 %

64 %

Copper

Nickel

Seaborne Iron Ore
Energy

Slide 18

0
200
400
600
800
1,000

1,200
0
5,000
10,000
15,000
20,000
25,000
30,000
35,000
40,000
45,000
50,000

GDP/Capita (Jan 2008 Constant US Dollars)

China
Germany
India
Japan
Korea, Rep.
United States
Taiwan
Slide 18
Slide 18
Slide 18
Slide 18
Slide 18
Slide 18
Slide 18
Slide 18
Slide 18

...and industrialisation and urbanisation in China appears to
have a long way to go

Finished steel consumption
(kg/capita)

Note: the shape of the arrow shows the general trend among countries for finished steel consumption as GDP per capita increases

Source: World Bank; Government Statistics for Taiwan; IISI

Slide 19
Slide 19
Slide 19
Slide 19
Slide 19
Slide 19
Slide 19

Slide 19

Slide 19

Slide 19

India

the journey has begun

GDP

(US\$ billion)

BHP Billiton copper equivalent sales volume units

(a)

(100=FY2002 sales to China)

Equity

1996

2006

FY 2002

FY 2007

0

50

100

150

200

250

300

350

400

450

500

China

India

0

200

400

600

800

1,000

China

India

Equity

Basis

Source:

World

Bank,

Focus

Economics,

BHP

Billiton.

a)

Note:

Converted

to

copper

equivalent
units
using
BHP
Billiton
FY2007
average
realised
prices
and
BHP
Billiton
estimates.
100%
Basis

Slide 20

Slide 20

Slide 20

Slide 20

Slide 20

Slide 20

Slide 20

Slide 20

Slide 20

Slide 20

BHP Billiton has a deep diversified inventory of growth options,
many of which are brownfield

expansions
2010
As at 2 May 2008
Proposed capital expenditure
SSM
Energy Coal
D&SP
Iron Ore
Base Metals
Petroleum
Met Coal
CSG
Manganese
Aluminium
2008
Execution
2013
Feasibility
Future Options
WA Iron Ore
Quantum 2
Hallmark
CMSA
Pyro Expansion
Blackwater
UG
2008
\$2bn+
\$501m-\$2bn
<\$500m
Boffa/Santou
Refinery
Pyrenees
Samarco
Neptune
Shenzi
Alumar
Atlantis
North
Klipspruit
GEMCO
Zamzama
Phase 2
Guinea
Alumina
Worsley
E&G
Perseverance
Deeps
Maruwai

Stage 1
Douglas-
Middelburg
Mt Arthur
Coal UG
Cliffs
Newcastle
Third Port
NWS
Angel
Nimba
Ekati
Canadian
Potash
WA Iron Ore
Quantum 1
CW Africa
Exploration
Angola
& DRC
WA Iron Ore
RGP 5
Macedon
Turrum
CMSA Heap
Leach 1
NWS
CWLH
Peak Downs
Exp
DRC
Smelter
Mad Dog
West
KNS
Exp
Corridor
Sands 1
Cerrejon
Opt Exp
Angostura
Gas
NWS
T5
Navajo
Sth
Bakhuis
Maruwai
Stage 2
NWS Nth

Rankin B
WA Iron Ore
RGP 4
Kipper
Antamina
Exp
Goonyella
Expansions
Olympic Dam
Expansion 3
Corridor
Sands 2
Knotty
Head
Maya
Nickel
Gabon
Daunia
Olympic Dam
Expansion 2
Browse
LNG
Resolution
Saraji
Thebe
Cannington
Life Ext
SA Mn
Ore Exp
Wards
Well
Eastern
Indonesian
Facility
NWS
WFGH
Olympic Dam
Expansion 1
CMSA Heap
Leach 2
Escondida
3rd Conc
Red Hill
UG
GEMCO
Exp
Samarco 4
Shenzi
Nth
Neptune

Nth
MKO
Talc
Scarborough
Caroona
Kennedy
Boffa/Santou
Refinery
Pyrenees
Samarco
Neptune
Shenzi
Alumar
Atlantis
North
Klipspruit
GEMCO
Zamzama
Phase 2
Guinea
Alumina
Worsley
E&G
Perseverance
Deeps
Maruwai
Stage 1
Douglas-
Middelburg
Mt Arthur
Coal UG
Cliffs
Newcastle
Third Port
NWS
Angel
Nimba
Ekati
Canadian
Potash
WA Iron Ore
Quantum 1
CW Africa
Exploration
Angola
& DRC
WA Iron Ore
RGP 5
Macedon
Turrum

CMSA Heap
Leach 1
NWS
CWLH
Peak Downs
Exp
DRC
Smelter
Mad Dog
West
KNS
Exp
Corridor
Sands 1
Cerrejon
Opt Exp
Angostura
Gas
NWS
T5
Navajo
Sth
Bakhuis
Maruwai
Stage 2
NWS Nth
Rankin B
WA Iron Ore
RGP 4
Kipper
Antamina
Exp
Goonyella
Expansions
Olympic Dam
Expansion 3
Corridor
Sands 2
Knotty
Head
Maya
Nickel
Gabon
Daunia
Olympic Dam
Expansion 2
Browse
LNG
Resolution
Saraji

Thebe
Cannington
Life Ext
SA Mn
Ore Exp
Wards
Well
Eastern
Indonesian
Facility
NWS
WFGH
Olympic Dam
Expansion 1
CMSA Heap
Leach 2
Escondida
3rd Conc
Red Hill
UG
GEMCO
Exp
Samarco 4
Shenzi
Nth
Neptune
Nth
MKO
Talc
Scarborough
Caroona
Kennedy
RBM
Puma

Clear plan for growth to 300 mtpa
and beyond

26

112

20

45

40

60

50

Western Australia Iron Ore capacity

(mtpa, 100% basis)

2015

Pre-feasibility

Quantum 1

2007

RGP3*

RGP4

RGP5

RGP6

Quantum 2

Status

CY07 Actual

Production

Ramping up

to full capacity

Construction

Feasibility &

early works

Pre-feasibility

Concept

Completion (CY)

2007

2010

2011

2012

300

capacity

in 2015

Completed

Advanced planning

Construction

Notes:

109 mtpa

capacity pre RGP3

Attributable basis: CY2007 = 95 mtpa; 240 mtpa

=

~ 204 mtpa; 300 mtpa

= ~ 255 mtpa; 350 mtpa

= ~ 298 mtpa

> 350

capacity

240

capacity

in 2012

382%
599%
486%
Iron ore
Metallurgical
coal
Manganese

ore
Raw material prices have risen, but still low as a % of steel price
Commodity price movement
(% change 2001-2008)

Note:

Historical
nominal
prices
based
on
Japanese
financial
year
benchmarks
beginning
April
of
relevant
year.

a)
Iron
ore
based
on
benchmark
FOB
prices.
JFY2008
forecast
prices
calculated
based
on
65-71%
increase
above
JFY2007
benchmark

per
Vale
settlement
for
Itabira
fines.
b)
Metallurgical
coal
based
on

Peak
Downs
Hay
Point
FOB.
JFY2008
forecast
prices
calculated
based
on
206-240%
increase
above
JFY2007
benchmark

per
BHP
Billiton
announcement
9-Apr-2008.

c)
Manganese
based
on
GEMCO
lump
ore
contract
FOB.
JFY2008
prices
based
on
recent
manganese
spot
price
settlement
reported
in
the
Tex
Report
on
12-Feb-2008.

d)
Based
on

benchmark
contract
prices.
Iron
ore,
metallurgical
coal
and
manganese
announced
2008
settlements
(71%
for
iron
ore
and
206%
for
coking
coal)
are
reflected
in
Q2
CY2008
costs
for
2008
YTD
estimate.
e)
For
US
delivery.

Source:
CRU.

Hot rolled coil price and raw material costs

(US market transactions (US\$/mt) and share of raw materials costs (%))

0
100
200
300
400
500
600
700
800
900
1,000

2001
2002
2003
2004
2005
2006
2007
2008
YTD
0%
10%
20%
30%
40%
50%
60%
70%
80%
90%
100%

Raw materials cost as % of HRC price, % (RHS)

HRC price (LHS) US\$/mt

(d)
(e)
(a)
(b)
(c)

Slide 23
Slide 23
Slide 23
Slide 23
Slide 23
Slide 23
Slide 23

Slide 23

Slide 23

Slide 23

The offer for Rio Tinto

Slide 24
Slide 24
Slide 24
Slide 24
Slide 24
Slide 24
Slide 24

Slide 24

Slide 24

Slide 24

Overlapping mineral basin positions. US\$3.7bn per annum of synergies

Selected

existing

BHP

Billiton

and

Rio

Tinto

assets,

projects

and

concessions.

Slide 25
Slide 25
Slide 25
Slide 25
Slide 25
Slide 25
Slide 25

Slide 25

Slide 25

Slide 25

Summary of the offer for Rio Tinto

BHP Billiton has made a pre-conditional offer for Rio Tinto, it will be capable of acceptance by shareholders following regulatory approvals and posting of offer documents

The offer is being made direct to the shareholders of Rio Tinto

Rio Tinto shareholders are being offered 3.4 BHP Billiton shares for every Rio Tinto share held

The 3.4:1 offer represents a 45%

(a)

premium

The offer is conditional on more than 50% acceptances of the publicly held shares in each of Rio Tinto plc and Rio Tinto Ltd

BHP Billiton has conducted global roadshows speaking to the major shareholders of BHP Billiton and Rio Tinto which has confirmed that shareholders have a clear understanding of the industrial logic of the deal

BHP Billiton believes this offer is compelling for Rio Tinto shareholders, and value enhancing for BHP Billiton shareholders

and it makes even more sense if you own both

Notes:

a)

Based on the volume weighted average market capitalisation of Rio Tinto and BHP Billiton for the month prior to BHP Billiton the Rio Tinto Board on 1-Nov-2007.

Slide 26
Slide 26
Slide 26
Slide 26
Slide 26
Slide 26
Slide 26

Slide 26

Slide 26

BHP Billiton and Rio Tinto's share prices have been strongly correlated, with BHP Billiton outperforming

BHP Billiton Ltd and Rio Tinto Ltd TSR

(a)

(Index: Jun-2001 = 100)

BHP Billiton Ltd vs

Rio Tinto Ltd relative performance

(Price performance relative to Jun-2001 = 100)

Source: IRESS.

a)

For

the

period

29-Jun-2001

to

31-Oct-2007.

Total

Shareholder

Return

(TSR)

calculated

as

the

increase

in

share

value

including

dividends

reinvested

at

the

date

of

receipt.

Assumes

Bluescope

Steel

shares

received

by

BHP

Billiton

Ltd

shareholders

in

July

2002

were
immediately
sold
with
proceeds
reinvested
in
BHP
Billiton
Ltd.
b)
For
the
period
of
29-Jun-2001
to
31-Oct-2007
to
exclude
any
takeover
premium
in
Rio
Tinto's
share
price
and
the
increased
correlation
in
share
prices
following
the
approach
by BHP
Billiton
to
Rio
Tinto
on
31-Oct-2007
to
the
current
date.
0

100
200
300
400
500
600
Jun-01
May-02
Apr-03
Mar-04
Jan-05
Dec-05
Nov-06
Oct-07
Rio Tinto
CAGR 24%
BHP Billiton
CAGR 30%

0
100
200
300
400
500
0
100
200
300
400
500

Rio Tinto Indexed Share Price Performance

(b)

Offer for Rio Tinto
Compelling terms
Source: Datastream
a)
Exchange
ratio
assumes

100%
BHP
Billiton
Ltd
shares
for
each
Rio
Tinto
Ltd
share
and
BHP
Billiton
shares
for
each
Rio
Tinto
plc
share
consisting
of
80%
BHP
Billiton
Plc
shares
and
20%
BHP
Billiton
Ltd
shares.
2.4
fair
value
exchange
ratio
represents
average
for
period
between
Rio
Tinto
offer
for
Alcan
(12-Jul-2007)

and
BHP
Billiton
approach
to
Rio
Tinto
Board
(1-Nov-2007).
2.2 for 1
2.4 for 1
2.6 for 1
2.8 for 1
3.0 for 1
3.2 for 1
3.4 for 1
3.6 for 1
Jul-2007
Sep-2007
Nov-2007
Jan-2008
Mar-2008
May-2008
Jul-2008
12-Nov-2007
BHP Billiton's proposal
06-Feb-2008
BHP Billiton's offer for Rio Tinto
Pre approach fair value exchange ratio

Slide 28
Slide 28
Slide 28
Slide 28
Slide 28
Slide 28
Slide 28

Slide 28

Slide 28

Slide 28

Slide 28

Slide 28

Slide 28

Conclusion

Strength, stability and growth

BHP Billiton on a standalone basis has a bright future

The core strategy remains unchanged

Focused on producing volumes from low cost assets

A combination of BHP Billiton and Rio Tinto can generate substantial additional

value

for

shareholders

we

are

a

natural

fit

In addition to the synergies, combining the two would create a company that is:

Unique in character;

Capable of delivering superior returns for its shareholders; and

An Australian champion on the global stage

BHP

Billiton

believes

the

terms

of

the

Rio

Tinto

offer

reflect

a

good

deal

for
both companies
shareholders

The
process
has
a
long
time
to
run

an
offer
document
is
not
expected
to
be posted to shareholders until late 2008

Slide 29
Slide 29
Slide 29
Slide 29
Slide 29
Slide 29
Slide 29
Slide 29
Slide 29

Slide 29

Slide 29

Slide 29

Slide 29

Questions and Answers

Slide 30
Slide 30
Slide 30
Slide 30
Slide 30
Slide 30
Slide 30
Slide 30
Slide 30

Slide 30

Slide 30

Slide 30

Slide 30

Senior Executive Profiles

Slide 31
Slide 31
Slide 31
Slide 31
Slide 31
Slide 31
Slide 31

Slide 31

Slide 31

Appendix: Marcus Randolph Profile

Marcus Randolph

Chief Executive Ferrous and Coal

Age:

52

Professional qualifications:

MBA (Harvard Business School)

Bachelor of Science (Colorado School of Mines)

Previous BHP Billiton positions:

Chief Organisation

Development Officer

President Diamonds and Specialty Products

Chief Development Officer Minerals

Prior to the formation of BHP Billiton, other positions held included:

Chief Strategic Officer Minerals

Other work experience:

Chief Executive Officer, First Dynasty Mines

Mining and Minerals Executive, Rio Tinto Plc

Director of Acquisitions and Strategy, Kennecott Inc.

General

Manager,

Corporacion

Minera

Nor

Peru

(Asarco)

Mine Operating Positions in the US, Asarco Inc.

Residence:

Melbourne, Australia

Slide 32
Slide 32
Slide 32
Slide 32
Slide 32
Slide 32
Slide 32

Slide 32

Slide 32

Slide 32

Appendix: Marius Kloppers Profile

Marius Kloppers

Chief Executive Officer

Age:

46

Professional qualifications:

BE (Chem), MBA, PhD (Materials Science)

Bachelor of Chemical Engineering (University of Pretoria (South Africa))

PhD from Massachusetts Institute of Technology (MIT) (USA)

MBA from Insead (France)

Previous BHP Billiton positions:

Group President, Non-Ferrous Materials

Chief Commercial Officer

Chief Marketing Officer

Prior to the formation of BHP Billiton, other positions held included:

Group Executive of Billiton Plc (coal and manganese)

Chief Executive Samancor Manganese

Chief Operating Officer, Aluminium

General Manager, Hillside Aluminium

Variety of operating and functional roles in the Aluminium business

Other BHP Billiton roles:

Played a central role in the merger of BHP and Billiton

Led the team working on BHP Billiton's acquisition of WMC

Other work experience:

McKinsey & Co

management

consultant (The Netherlands)

Sasol

petrochemicals (South Africa)

Mintek
materials research (South Africa)
Residence:

Melbourne, Australia

