Rio Tinto

Notice to ASX

Iron Ore – investor roadshow

9 August 2017

The attached presentation will be given by Chris Salisbury, chief executive, Iron Ore, at investor briefings in North America from 9-11 August 2017.

The presentation slides will also be available at www.riotinto.com/presentations.

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Iron Ore - delivering optimal value

Investor roadshow – August 2017

Chris Salisbury, chief executive, Iron Ore

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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, changes to the assumptions regarding the recoverable value of our tangible and intangible assets, 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.

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Supporting statements

Mineral Resources and Ore Reserves

The Pilbara Mineral Resource and Ore Reserve estimates which appear on slide 14 are reported on a 100% basis. These Mineral Resource and Ore Reserve estimates, together with the ownership percentages for each joint venture were set out in the Mineral Resource and Ore Reserve statements in the 2012 to 2016 Rio Tinto annual reports to shareholders released to the market on 15 March 2013, 14 March 2014, 6 March 2015 and 3 March 2016 respectively. The Competent Persons responsible for reporting of those Mineral Resources and Ore Reserves were B Sommerville (Resources) and L Fouche (Reserves 2012-2014) and C Tabb (Reserves 2015-2016).

Rio Tinto is not aware of any new information or data that materially affects the above Mineral Resource and Ore Reserve estimates as reported in the 2016 annual report. All material assumptions on which the estimates in the 2016 annual report were based continue to apply and have not materially changed. The form and context in which those findings are presented have not been materially modified. Mineral Resources are reported exclusive of Ore Reserves. Ore Reserves are reported as dry product tonnes. Mineral Resources are reported on an dry in situ basis.

Rio Tinto value proposition

Long-term strategy	Cash focus	Capital discipline and shareholder returns	Team and performance culture
World-class assets	Value over volume	Strong balance sheet	Safety first
Delivering >2% CAGR[1] CuEq growth	$2 billion cost savings delivered six months early	40-60% returns through the cycle	Assets at the heart of our business
Licence to Operate	$5 billion free cash flow from mine to market productivity by 2021	Portfolio shaping	Commercial and operational excellence




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[1] Copper equivalent CAGR, 2015-2025.

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World-class assets at the core of our business

	Iron Ore	Bauxite	Aluminium	Copper
Main businesses	**Pilbara**	**Bauxite**	**Canadian smelters**	**Oyu Tolgoi, Escondida**
Competitive advantages	Low-cost, world-class assets Integrated infrastructure Benchmark product Technical marketing	Large, low-cost bauxite assets Technical leadership and marketing	First quartile smelters Low-cost renewable power	Large, long-life, low-cost Attractive growth options Technology and innovation
H1 2017 margins	**69%** FOB EBITDA margin	**45%**[1] FOB EBITDA margin	**35%**[1] Operating EBITDA margin	**47%**[1] Operating EBITDA margin

[1] Margins exclude product group overheads

Focusing on value over volume

Revenue

Price impact of incremental tonnes

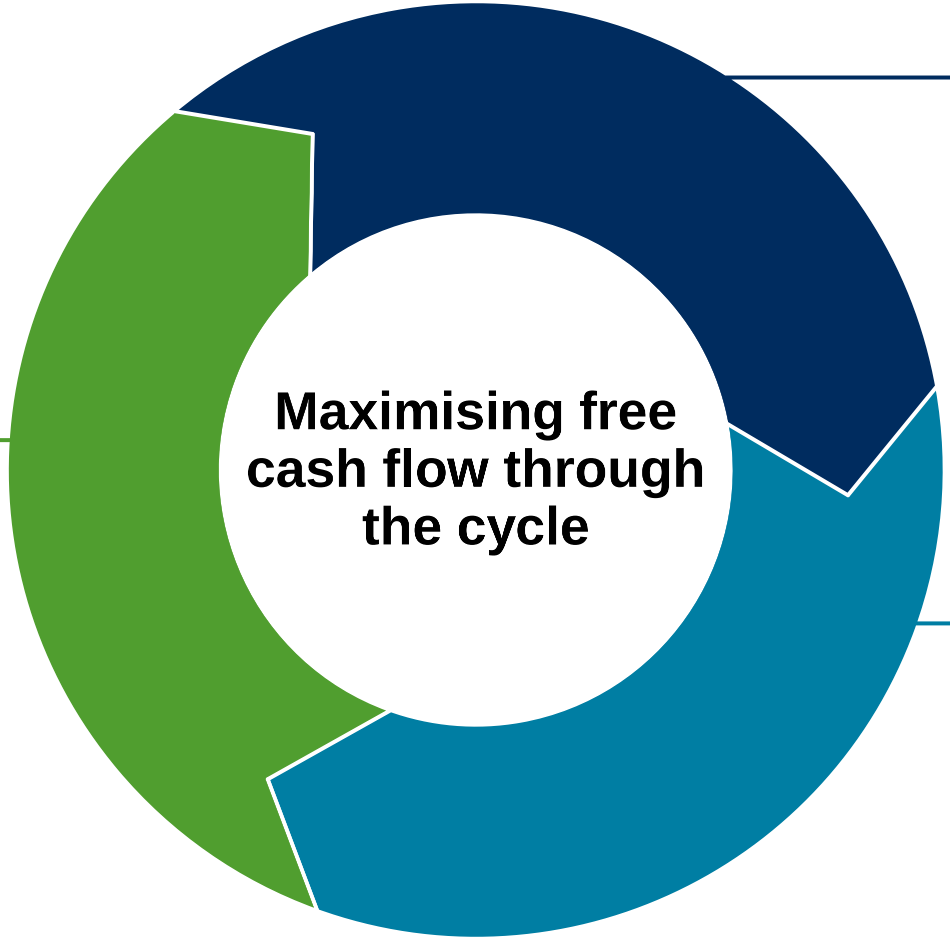
Protecting quality

Capex

Sustaining

Replacement

Growth



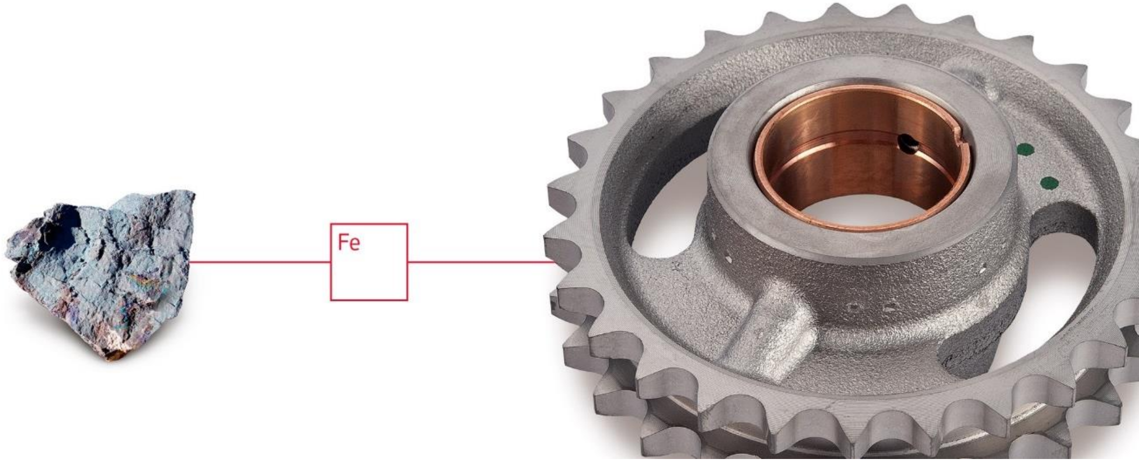
Operating cost

Unit cost

Impact on cost base

Delivering optimal value from one of the world's best businesses

Strong foundation	Mine to market productivity	Value over volume
– Exclusive use of assets, fully integrated system, consistent returns through the cycle	– Maximise cash flow from existing asset base	– Resource development sequencing to optimise mines and product
– Highly-valued product suite, sustained by significant resources	– Innovation and technology to assist the drive to superior performance	– Disciplined capital allocation
– Quality people and partners	– Delivering productivity, cost and revenue outcomes	– Low-cost, productivity-enabled options



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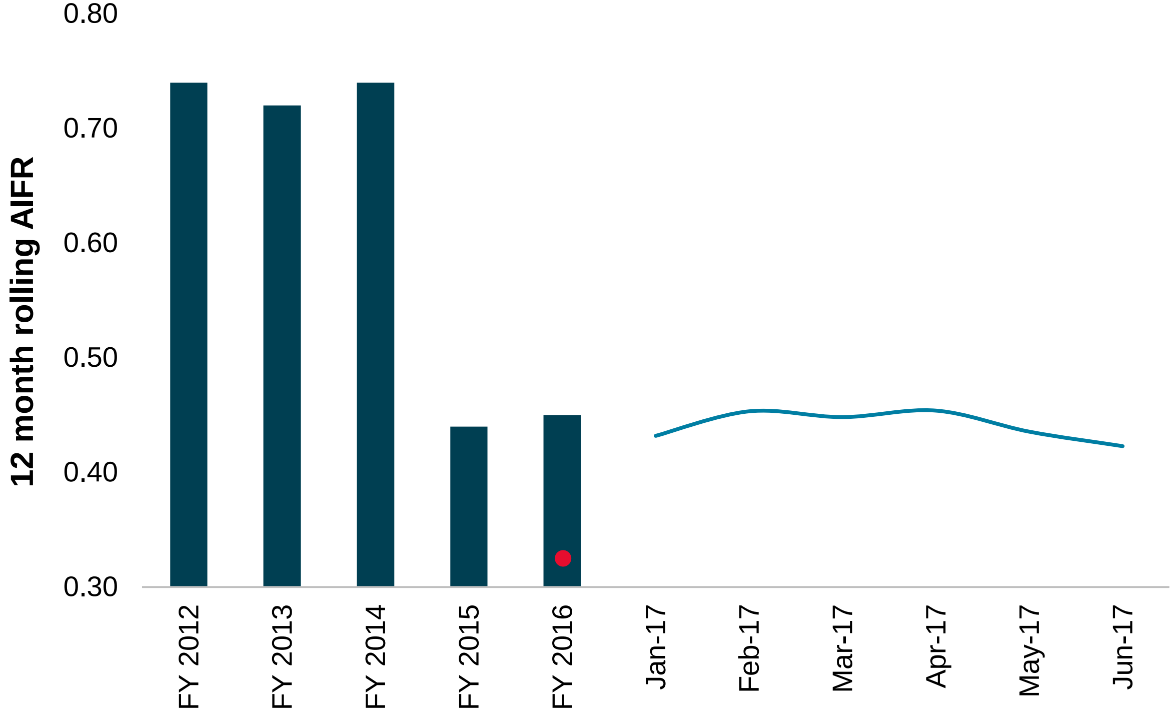
Safety effort targeting fatality elimination and injury prevention

Iron Ore All Injury Frequency Rate

Per 200,000 hours worked



● *June 2016 - Fatality within Pilbara Mines (Paraburdoo)*

Focus on fatality and injury elimination

Fatality and critical incident learnings

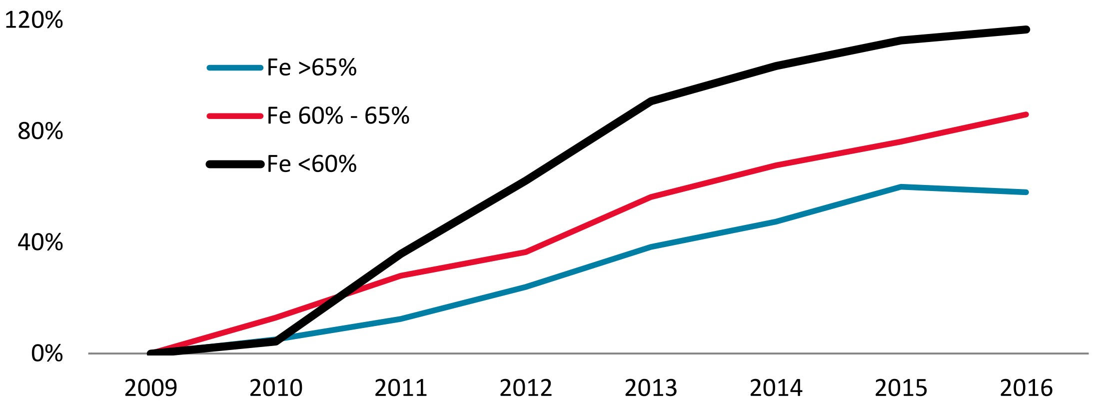
Embed critical risk management program

Leadership and employee engagement

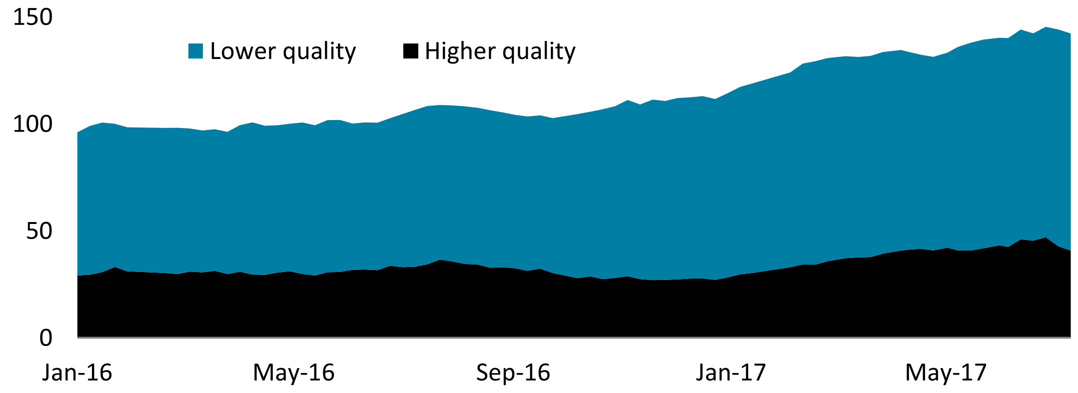
Leveraging data insights and technology

Low-quality ores driving iron ore supply and inventories

Iron ore supply growth
Percentage



Iron ore inventories across 45 Chinese ports
Million tonnes



Lower-quality iron ore supplied into the contestable market has doubled since 2010 (now ~400Mtpa)

Lower-quality products account for 29Mt (80%) of the 36Mt increase in port stocks over the last 12 months (to July 2017)

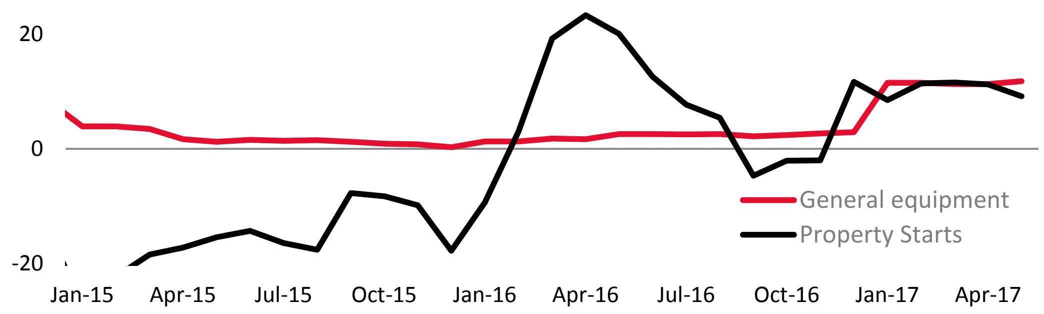
Overall:

- Supply growth expectations for 2017 have moderated in recent months, reflecting disruptions and latest production guidance
- Seaborne supply growth of ~100Mt for 2017 and 2018 is still likely, although weighted to 2018
- China's domestic iron ore production has been relatively consistent during 2017 and has stabilised at ~275Mtpa

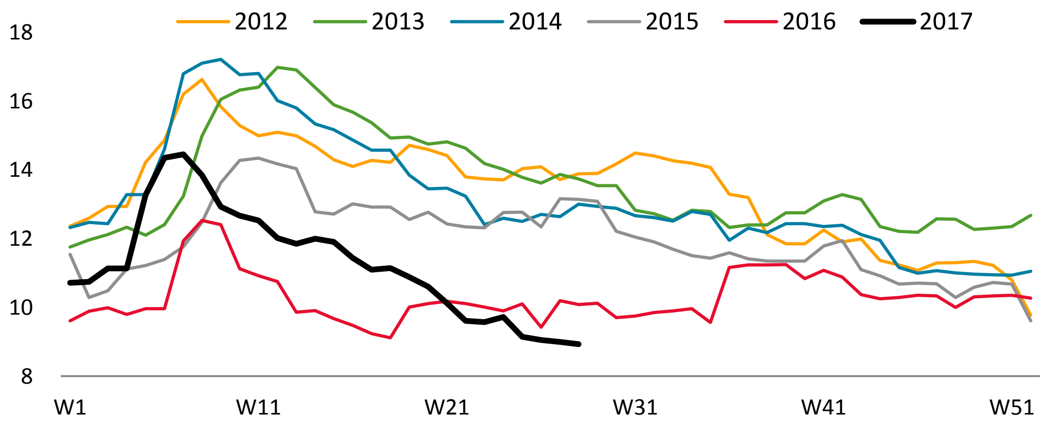
Source: Mysteel data; Lower quality products classified as either <60% Fe content or containing higher impurity levels.

China steel demand remains strong, driving steel inventories lower

China's Property and Machinery Sector Growth
Percentage (% YoY Ytd)



China's Supply-chain Steel Inventories
Days



Robust end-use steel demand

- Developers remain confident and have accelerated new starts to >10% YoY in 2017
- Sharp rebound in machinery sales YTD; auto growth continues to trend upwards
- Credit tightening has been gradual and not detrimental to steel demand or steel industry liquidity

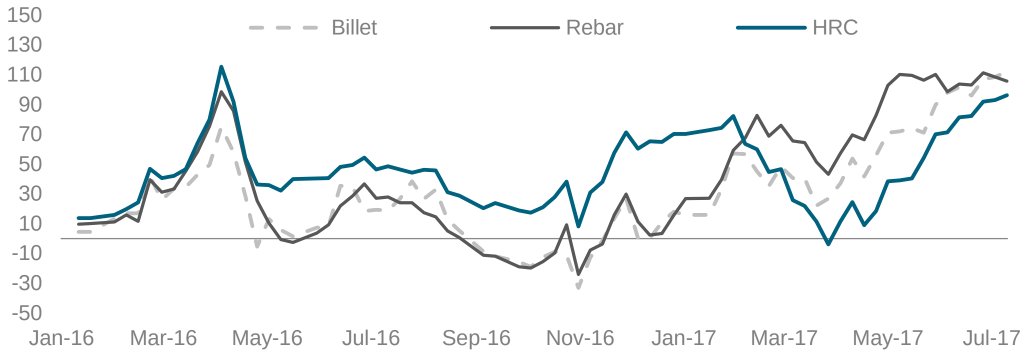
Steel order books are full

- Steel supply-chain depleted to record lows for this time of year despite typical seasonal slowdown
- Steel demand in China has proven stronger than both mills and traders expected it would be

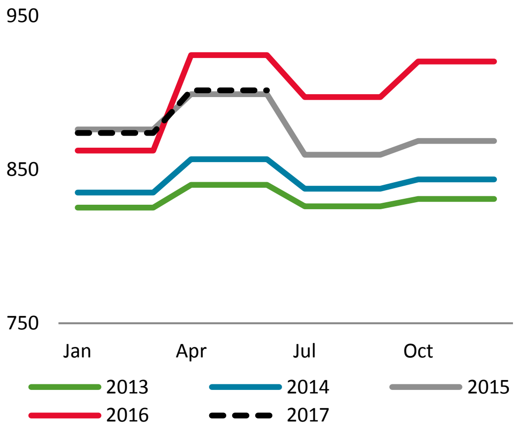
Source (top): CEIC
Source (bottom): Mysteel

Steel production: China prioritising productivity

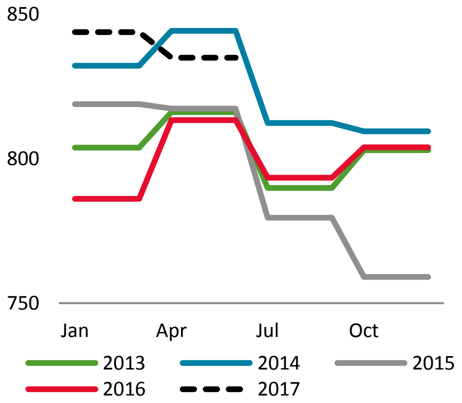
China mill cash margins
$ per tonne



China's crude steel production
Million tonnes per annum



ROW crude steel production
Million tonnes per annum



Source (top): Mysteel, Bloomberg.
Source (bottom left): NBS
Source (bottom left): WSA

Underpinned by healthy industry liquidity and mill profitability, China's steel production has been running close to historical highs:

– Mills incentivised to simultaneously rationalise/eliminate capacity and maximise output, which has naturally favoured higher-grade products

– Pollution controls and elevated coking coal prices have further increased the appeal of higher-grade products

The elimination of induction furnace capacities in China has not been aimed at or resulted in lower steel output:

– Compliant steelmaking operations have already expanded production and absorbed most of the former IF market segment

– IF closures initially liberated scrap supply, but most of it has been re-absorbed with heavy discounts and new sales channels, the support to iron ore demand and prices from IF elimination has already diminished

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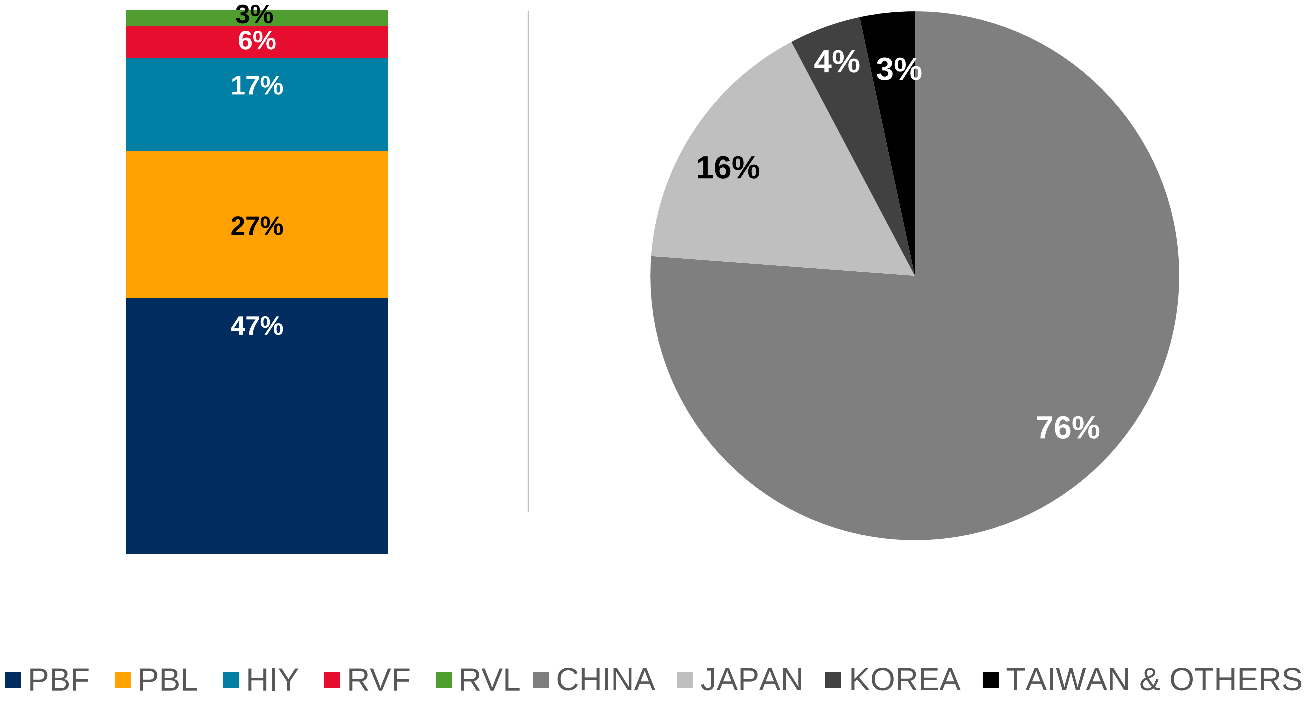
Our product portfolio is well-placed, translating into strong H1 2017 achieved FOB prices of $67.8/dmt…

Shipments by product and market H1 2017
Percentage



Product	Strengths
Pilbara Blend Fines	– The most traded iron ore product globally – Base load sinter blend in Asian markets
Pilbara Blend Lump	– Avoids the costs of sintering
HIY Fines	– Ideal chemical composition for the Asian sinter blends and favourable coarse sizing.
Robe Valley Fines	– Favourable coarse sizing, low phosphorus
Robe Valley Lump	– Low phosphorus – Avoids the costs of sintering

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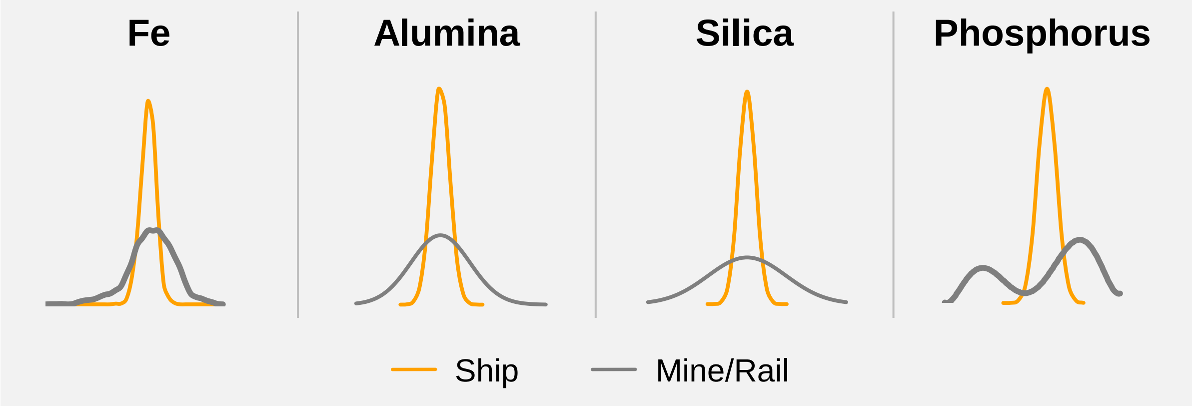
…including the industry benchmark Pilbara Blend

Blending reduces product variability
Product quality variance from mean



Platts 62% Fe index and lump premium H1 2017
US$/dry metric tonne

Customers value the consistency and liquidity of the Pilbara Blend

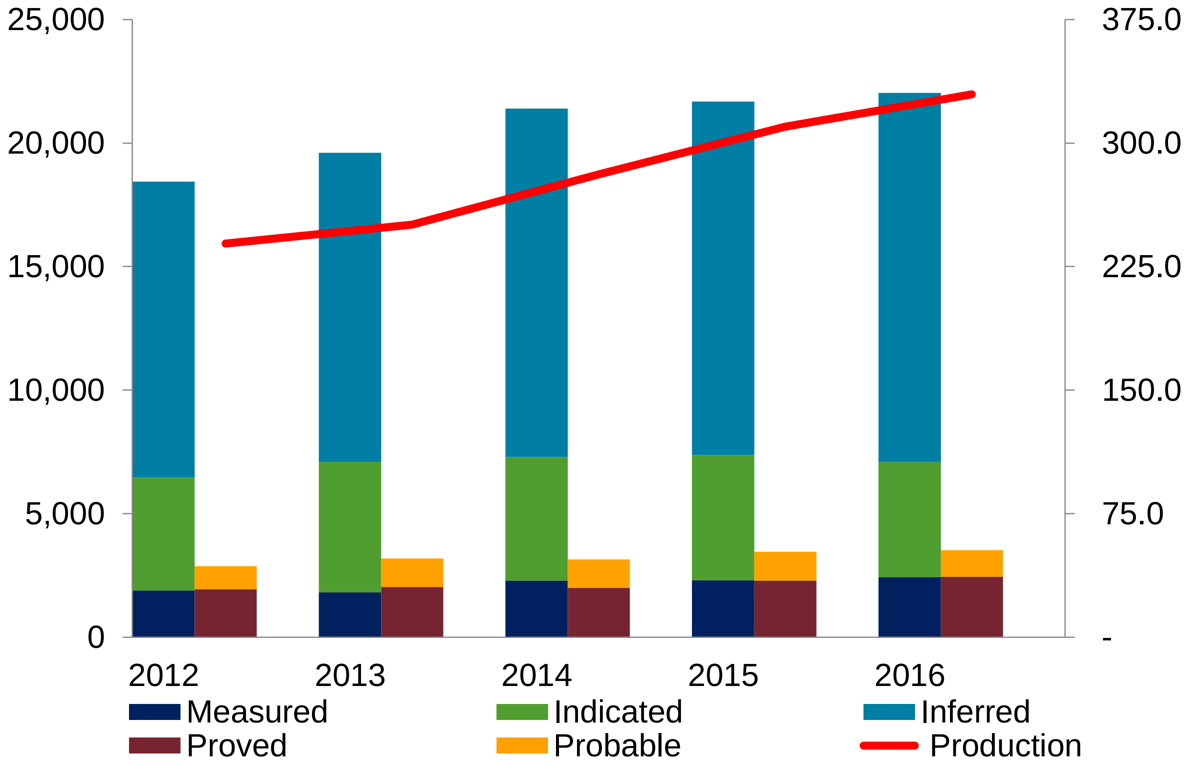
- Easier to manage blast furnace mix
- Technical expertise provided to maximise value in use
- Most traded product and widely available at China ports
- Reduces inventory

Our Pilbara Blend products have been produced for over a decade and have experienced robust customer demand throughout market cycles

- Rio Tinto is the largest lump producer (~27% of tonnes)
- Platts lump premium averaged ~$4.9/dmt to the 62% fines index during the first half of 2017

We have substantial resources sustaining future production…

Pilbara resources, reserves[1] and production
Million tonnes (LHS, dry; RHS, wet)



Mineral Resources (LHS), Ore Reserves (LHS), Production (RHS)

Large Mineral Resources support system optionality and sustain premium Pilbara Blend

Ore Reserves maintained in line with depletion

Maintaining evaluation drilling and resource development programmes

[1] Refer to the statements supporting these resource and reserve estimates set out on Slide 3 of this presentation

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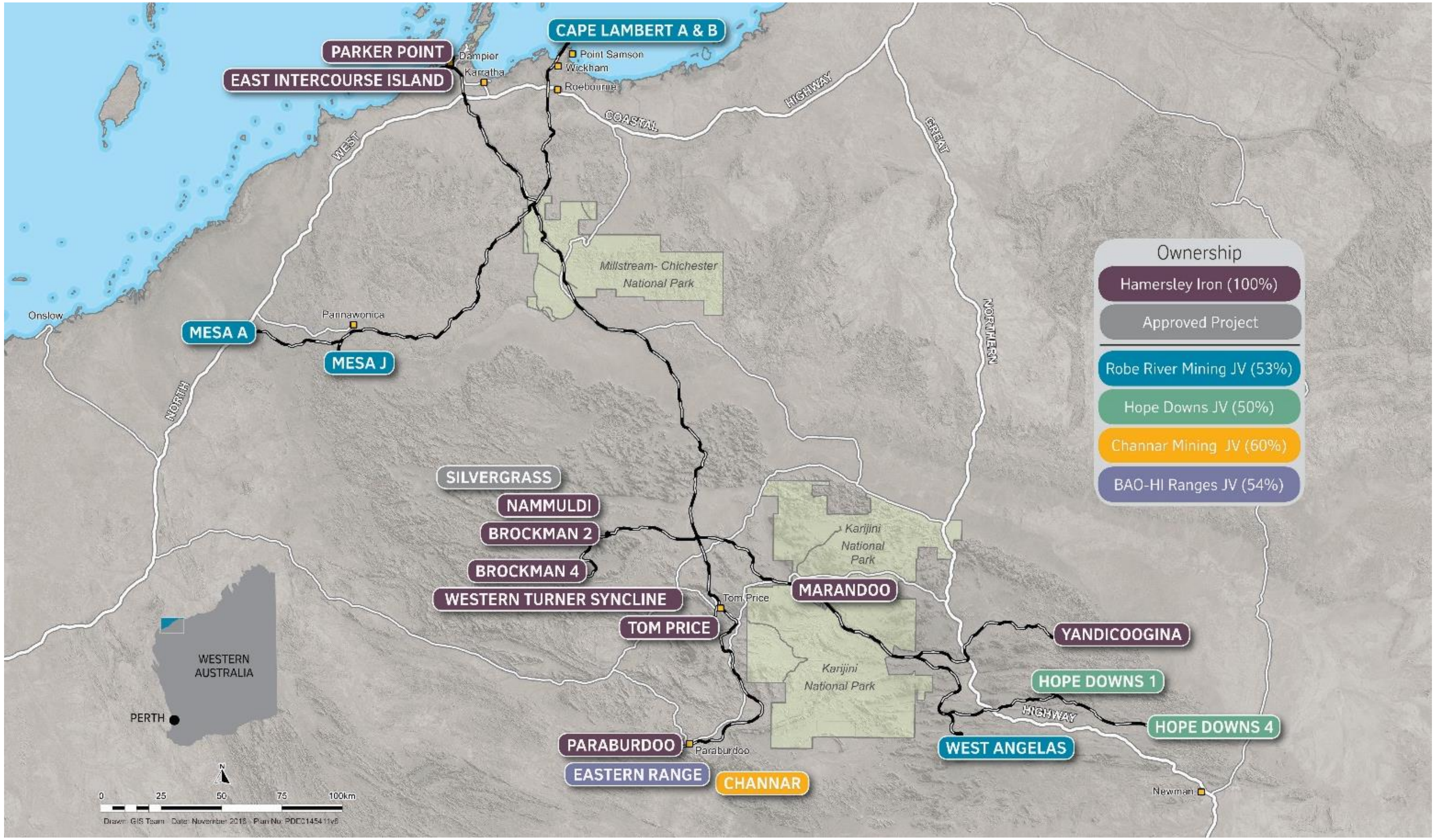
…..and a fully integrated asset network



11,000	Workforce
15	Mines
1,700km	Rail
4	Port terminals
3	Power stations
370	Haul trucks
51	Production drills
190	Locomotives

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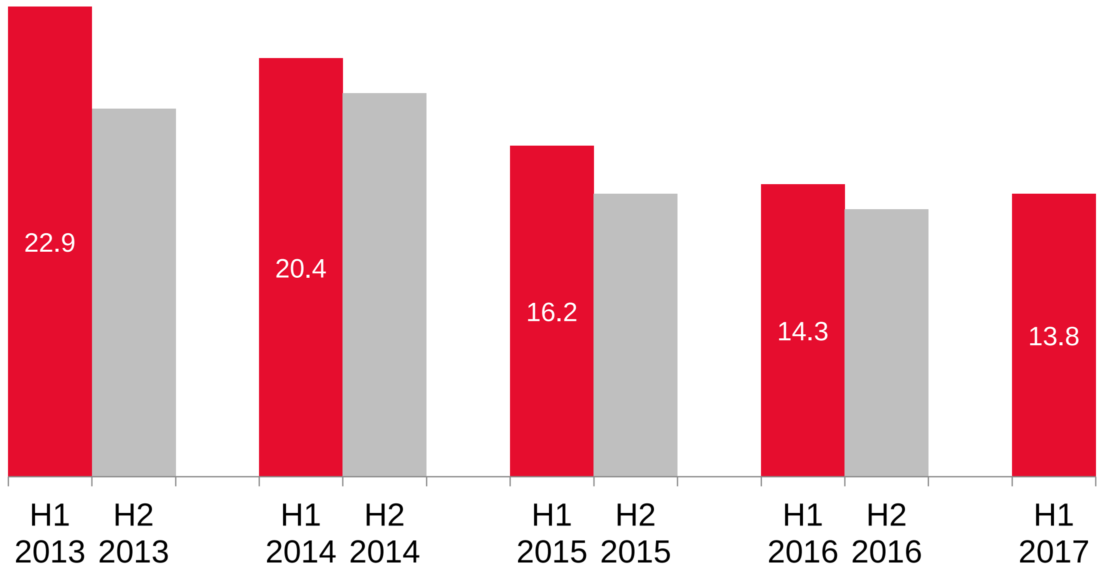
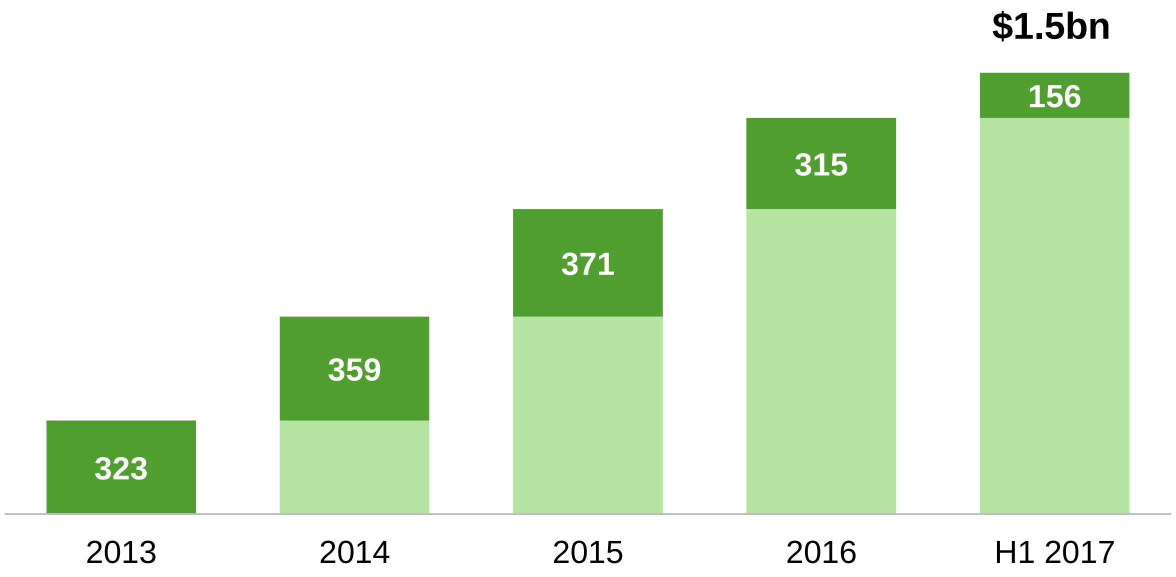
Iron Ore: continues to sustain our low-cost advantage

Pilbara cash unit cost
US$ per tonne



Pre-tax operating cash cost improvements
Reduction vs. 2012 US$m



1H 2017 cash unit cost of $13.8/t (3% lower than 1H 2016)

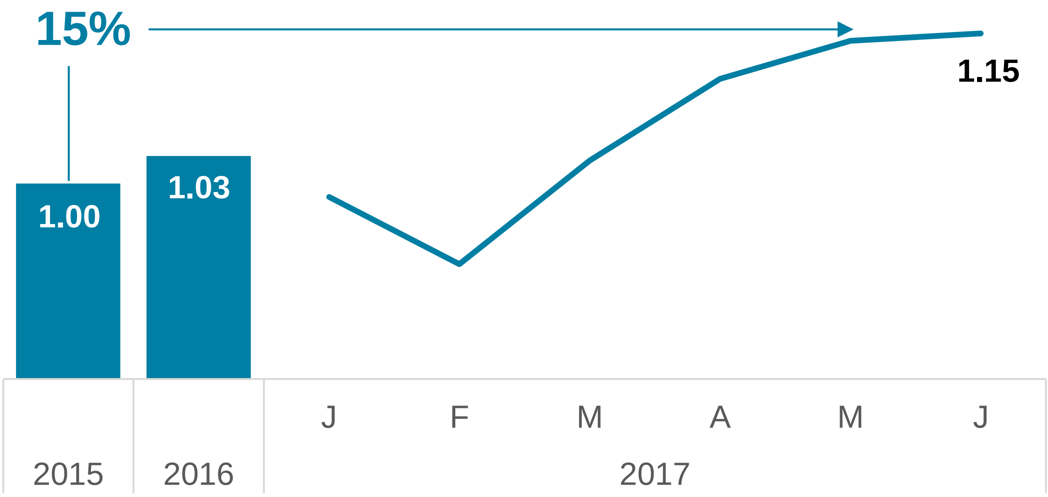
Maintaining attractive FOB EBITDA margin (69% in 1H 2017)

> $1.5 billion in pre-tax cost improvements since 2012

Pipeline of >2000 productivity and cost improvement initiatives

Replicating best practice drives greater value……

Haul Truck Effective Utilisation
Time %, indexed, Jun YTD, site comparison



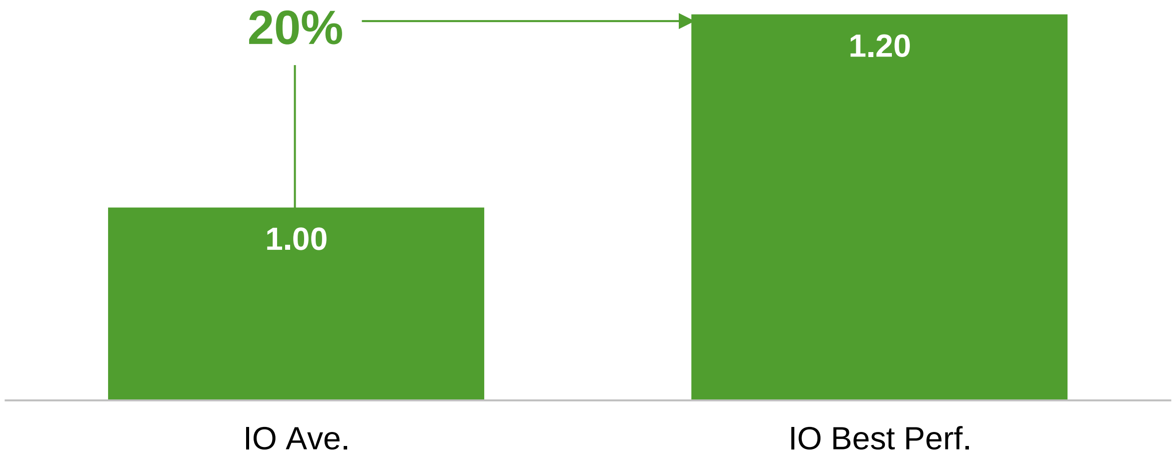
Collaboration and standardisation, with data analytics assisting rapid change

Around 23% of operating fleet autonomous

15% improvement in load & haul costs; reduction in capex & opex

Automation retrofit potential being explored

Plant Effective Utilisation
Time %, indexed, Jun YTD, site comparison



Currently >30% volume beneficiated

– Ore quality and product handleability

Replicating best practice across the system:

– Conveyor system availability

– Process control improvement

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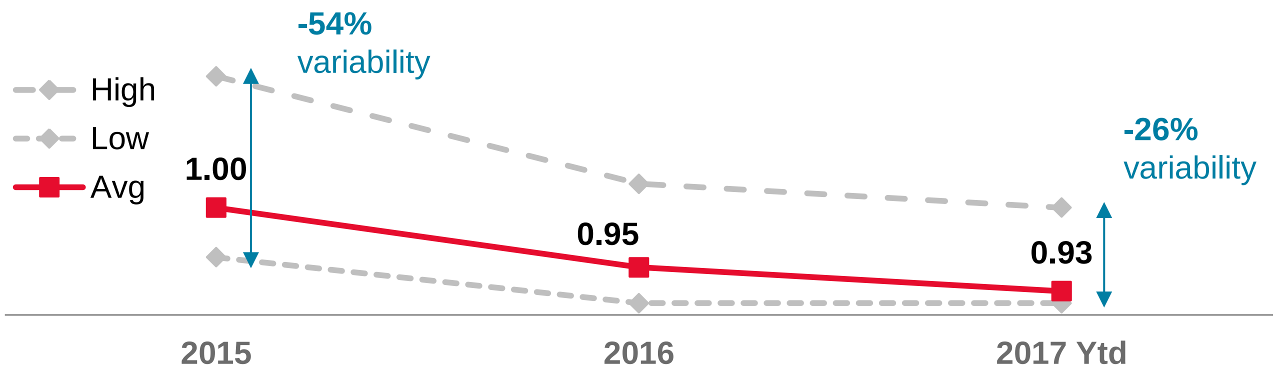
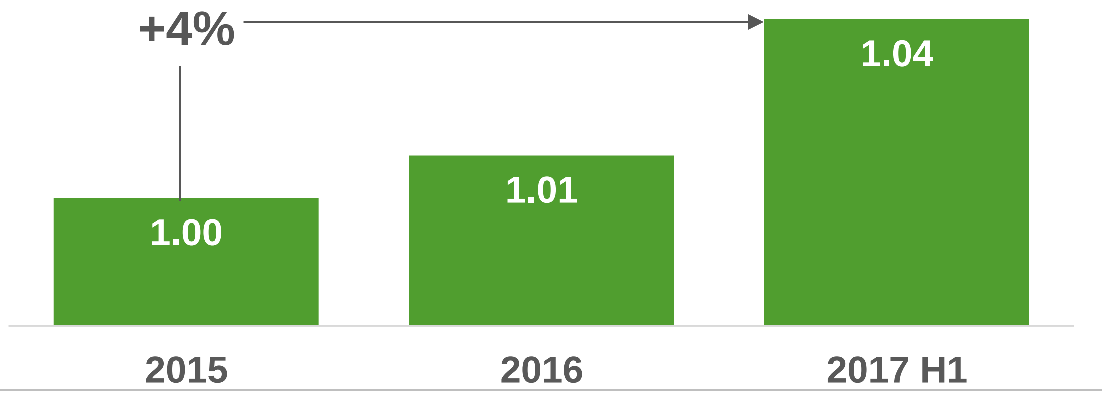
…as does productivity and technology

Train dumping cycle time
Indexed to 2015 monthly average



Haul truck payload (1)
Indexed to 2015 average



Improving cycle times from Mine to Port

System wide maintenance scheduling from mine - port

Improvement focus at the rail interfaces reducing cycle time

Technology advancements through upgraded control system logic

Whilst increasing haul truck payloads

Implementing improved tray and tyre specifications

Increased confidence in truck payload measurement systems

Sharper real time operational focus on delivering payload targets

[1] Komatsu 830 Fleet

AutoHaul® already delivering benefit

Significant progress made in 1H 2017:

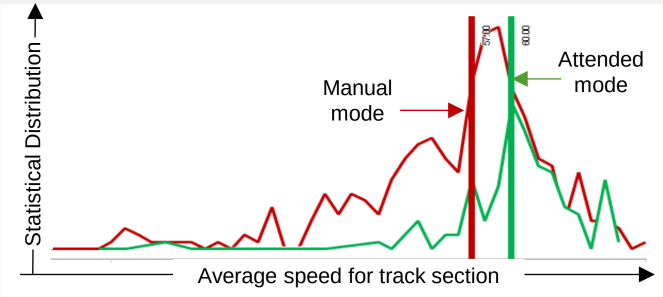
32% of rail kilometres[1] now in Autonomous mode (with drivers on-board)

80% of production tonnes[1] now AutoHaul®-enhanced

Early benefits are being realised…

Reduced variability, increased speed

– Computerised driving improves cycle times



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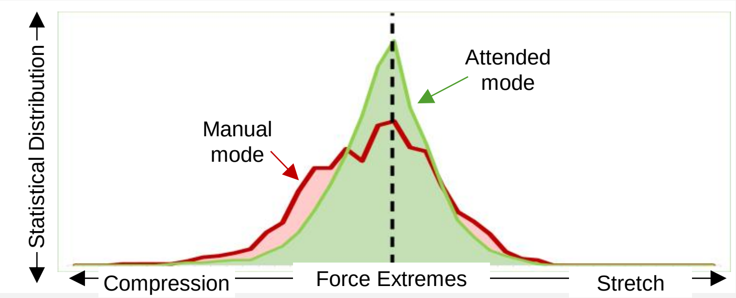
Reduced in-train forces will benefit maintenance



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… and on-track to achieve full network capacity uplift by end 2018.

Fewer train stoppages

– Avoids train stops for driver changes

>1hr reduction in average cycle time

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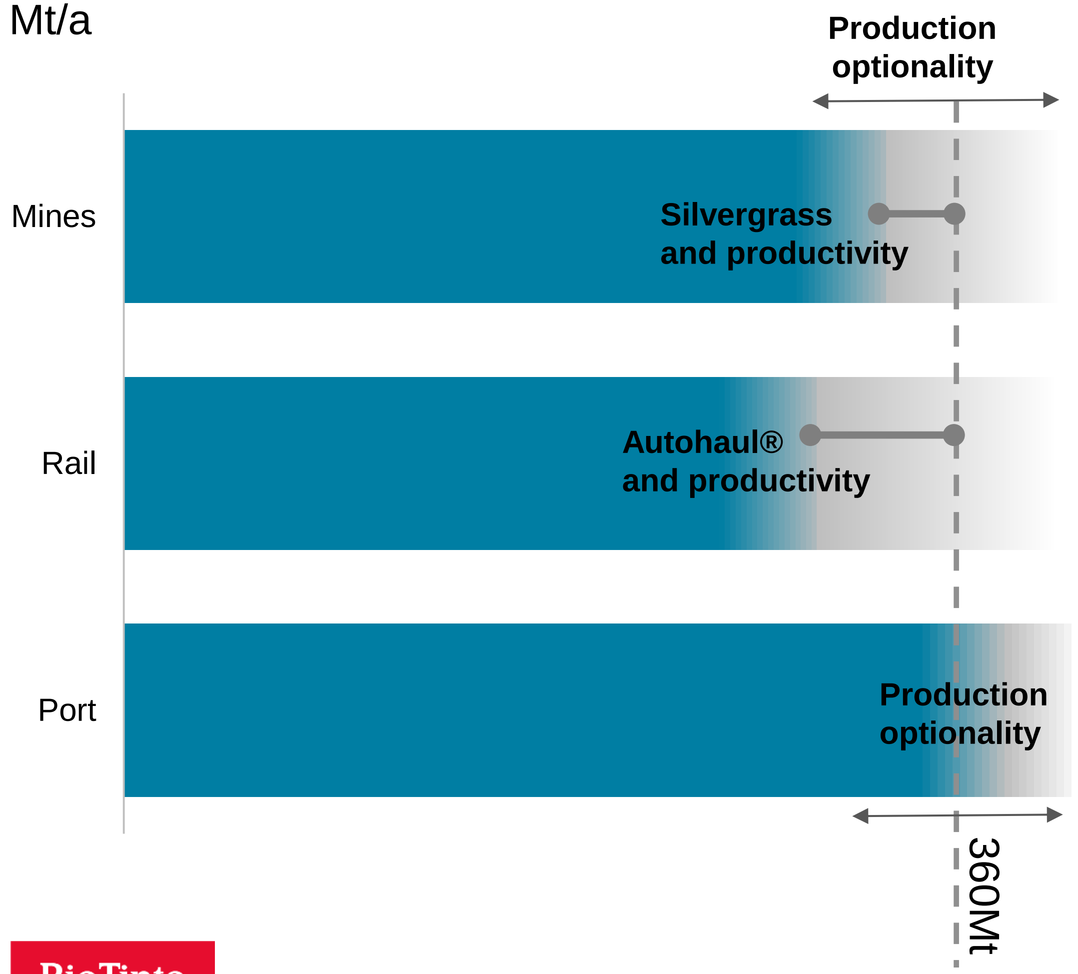
All sources Rio Tinto. [1] Excludes Deepdale line which is not within AutoHaul® territory.

Installed infrastructure offers high-value optionality

Optimising system capacity
Mt/a



Mine capacity can be delivered through productivity and low capital brownfields pathway

Rail capacity can be delivered through productivity, low capital investment and progressive implementation of Autohaul® from 2017/2018

Port capacity at 360Mt/a, with potential to further optimise

2017 shipping guidance around 330Mt, weather dependent

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Silvergrass on track to deliver world-class investment returns

Silvergrass first production on-track for Q4 2017

~21Mt/a at US$29/t capital intensity (CI)	Mine sustains Pilbara Blend quality	Autonomous Haul trucks now operating Conveyor being installed	IRR >100%[1]

[1]IRR calculated using consensus iron ore prices at May 2016

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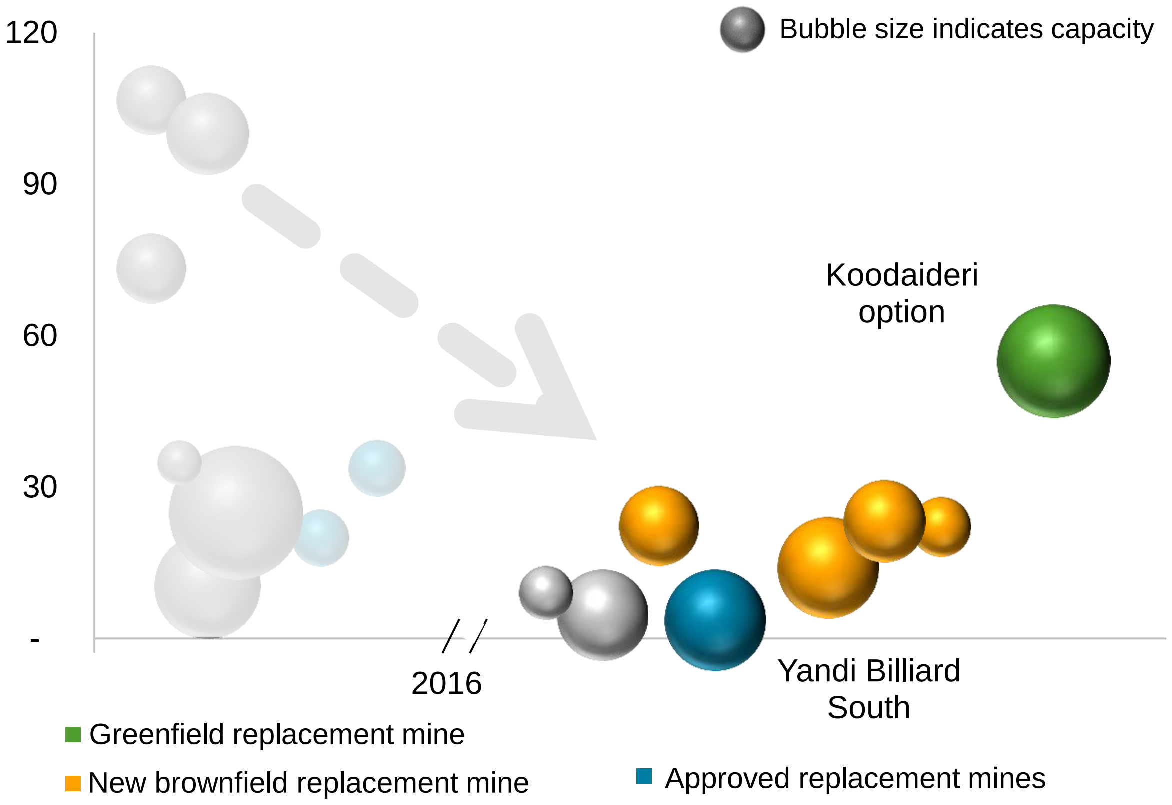
High-quality, low-cost options available to offset depletion

Pilbara mine development options

US$/t Installed capital intensity



Low cost option leveraging existing infrastructure

– Yandi Billiard South Capital Intensity <$10/t; IRR >100%[1]

Brownfield replacement mines to sustain current production range (Capital Intensity $5-$20/t)

Koodaideri option underpins Pilbara Blend, low-cost operations, in feasibility study. Present view:

– Phase 1 ~40Mt/a plant capacity at $55/t Capital Intensity ($2.2bn)

– Potential capital spend from 2019

– Potential for first ore available around 2021

– Feasibility study includes full automation options

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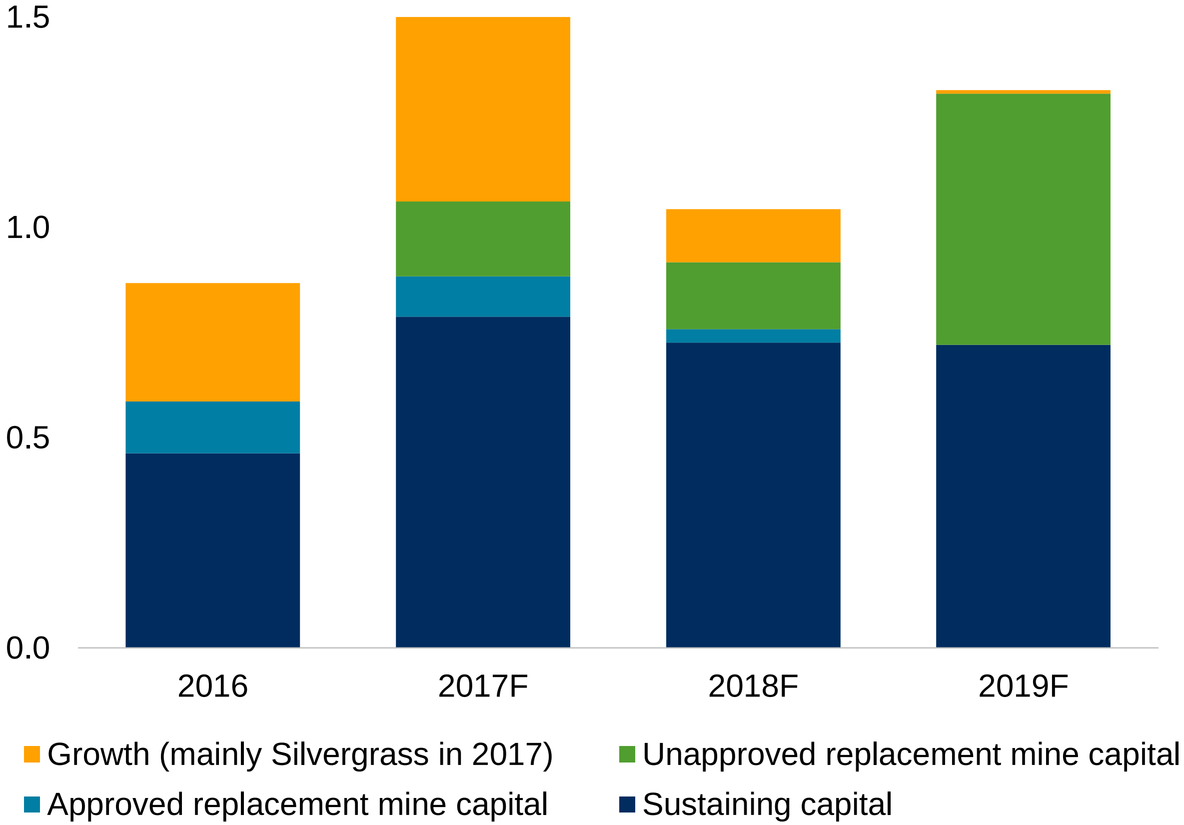
[1] IRR calculated using consensus iron ore prices at May 2016

Sustaining best value production

Capital expenditure
US$bn (RT share)



Silvergrass - majority of growth spend in 2017

~$100m approved replacement mine capital over next three years, e.g.

– ~$64m Yandicoogina Oxbow

~$1bn unapproved replacement mine capital over next three years

~$2.2bn sustaining capital over next three years, e.g.

– Mine mobile fleet replacements
– Process plant conveyors
– Rail track replacement

Unlocking productivity through strong engagement

Safety remains fundamental priority

Strengthening workforce engagement

- Recognising great contributions from our people
- Enabling our inclusive and diverse culture

Enhancing our business through transformation

- Technology enabling our exciting future workplace
- Driving replication of great practice to unlock productivity improvement
- Looking to new skill and capabilities required in supply chain logistics, data analytics, automation

Highly-valued partners and sustainable local and regional investment remain a priority

Production

19 sites

$20.3b in exports

$20.3b in value

Exported to 12 countries

Employment

12,048 direct employees

963 Aboriginal and Torres Strait Islander employees

$3.4billion spent on salaries and wages

Suppliers

2,727 WA businesses

$4.4billion spent with WA businesses

Taxes and royalties

$1.1b paid in state government taxes and royalties

$12m in payments to local governments

Community

170+ community initiatives supported

Figures for all Rio Tinto product groups based in Western Australia

Rio Tinto data 2016, currency AUD

Delivering optimal value from one of the world's best businesses

Quality people and partners

Exclusively operated integrated asset, significant resource base, highly-valued product suite

Strong cash flows through the cycle

Focus on raising mine to market productivity

Multiple options to optimise system value

Low-capital intensity replacement mine options

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Iron Ore - delivering optimal value

Investor roadshow – August 2017

Chris Salisbury, chief executive, Iron Ore