

Deutsche Bank 2017 Metals & Mining conference

13 September 2017

Rio Tinto Energy & Minerals chief executive Bold Baatar is presenting at the Deutsche Bank Metals & Mining conference in London today.

The presentation is attached and will also be available at www.riotinto.com/presentations.

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RioTinto

Bold Baatar

CEO, Energy & Minerals

Deutsche Bank Metals & Mining conference

13 September 2017

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Our value proposition

Long-term strategy

World-class assets

Delivering >2% CAGR¹ CuEq growth

Licence to Operate

Cash focus

Value over volume

\$2 billion cost savings delivered six months early

\$5 billion free cash flow from mine to market productivity by 2021

Capital discipline and shareholder returns

Strong balance sheet

40-60% returns through the cycle

Portfolio shaping

Team and performance culture

Safety first

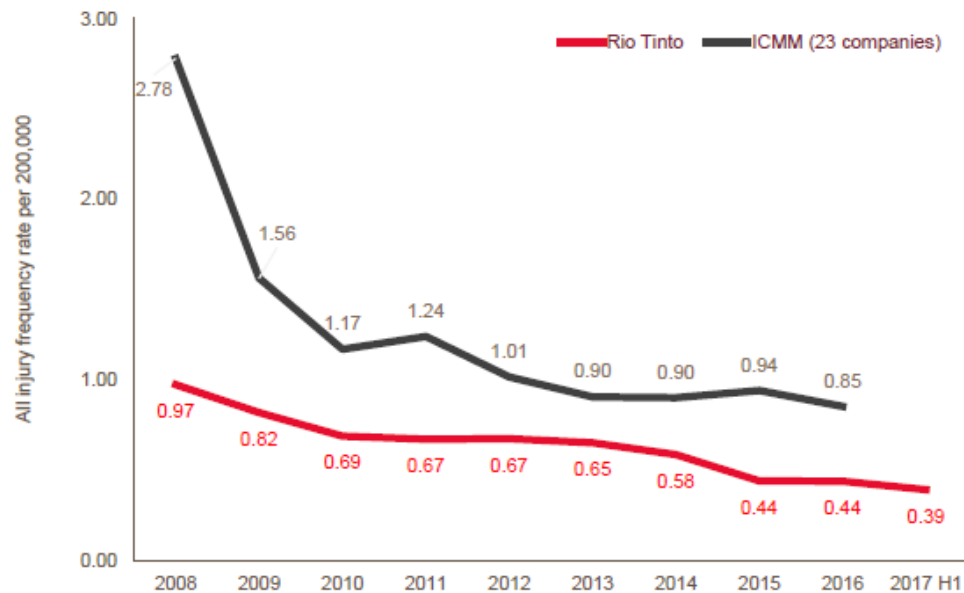
Assets at the heart of our business

Commercial and operational excellence



Safety and health comes first

Continued history of improvement in safety
AIFR per 200,000 hours worked

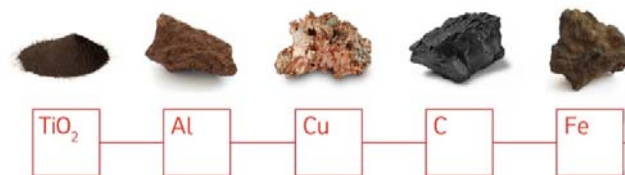


Continued focus on Fatality Prevention
– 731,000 CRM verifications in H1 2017
Further AIFR improvement in H1



Delivering on our promises in H1 17

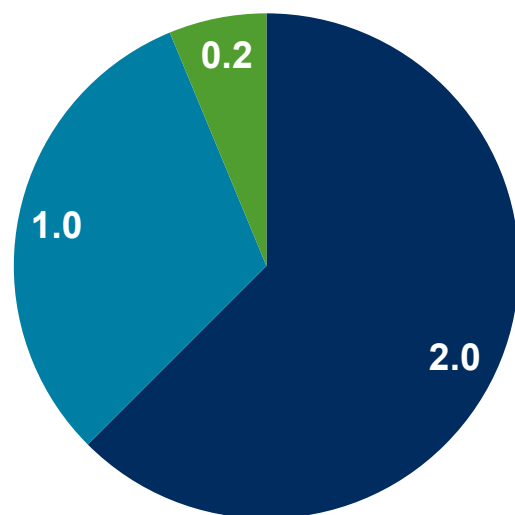
- ✓ **Announced shareholder returns of \$3.0 billion**
- ✓ **Strong EBITDA generation of \$9.0 billion and margin of 45%**
- ✓ **\$2 billion cost-out programme achieved early**
- ✓ **Balance sheet strength with net debt reduced to \$7.6 billion**
- ✓ **Strengthening the portfolio with divestments and compelling growth**



Delivering superior returns for shareholders

Cash returns to shareholders in H2 2017

\$ billion



■ 2017 Interim dividend

■ 2017 buy-back announced in Aug-2017

■ Completion of buy-back announced in Feb-2017

Total returns to shareholders of **\$3.0 billion** announced

- 75% of underlying earnings
- Interim dividend of \$2.0 billion or \$1.10 per share to be paid in H2 2017
- Share buy-back of \$1.0 billion in Rio Tinto plc shares by the end of 2017

In addition to completion of ongoing buy-back of \$0.2 billion by the end of 2017

World-class assets delivering value in H1 17

	Pilbara Iron Ore	Aluminium	Copper & Diamonds	Energy & Minerals
Margins	69% Pilbara operations FOB EBITDA margin	35% Integrated operations EBITDA margin	44% Operating EBITDA margin	37% Operating EBITDA margin
Cash flow	Cash flows from operations of \$4,209m Free cash flow of \$3,682m	Cash flows from operations of \$1,130m Free cash flow of \$670m	Cash flows from operations of \$649m Free cash flow of \$62m	Cash flows from operations of \$1,057m Free cash flow of \$908m
				

Maximising value from the Energy & Minerals portfolio

Safety is our first priority

A lean, scalable operating model, running cash-focused businesses

Value over volume operating philosophy supported by a global customer and market-oriented approach

Ongoing cost and productivity improvements continuing to deliver cash flow

Energy & Minerals is the incubator for new commodities

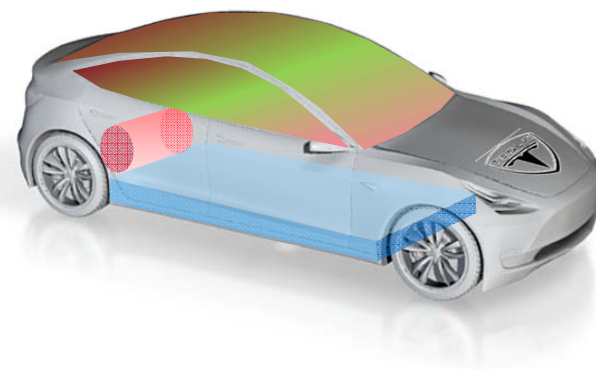
A lean, scalable operating model running cash-focused businesses

	Borates	Coal	IOC	TiO ₂
Strategic focus	Integrated mine-to-market business model	Maximising value from existing assets	Cost and productivity improvements	Value over volume operating philosophy
Key customer segments	Multiple end products including construction, agriculture & consumer products	Steel mills and power stations	Premium quality pellets and concentrates to steel producers	Pigment producers, ceramics and titanium industry
Competitive advantages	Commercial excellence driven by market insight Creating new demand through technical expertise	Premium hard coking coal Integrated operations	Large ore reserve Installed capital base Premium quality pellets	Wide range of TiO ₂ feedstock options Significant co-product contributions
HY 2017 EBITDA margins	37%	43%	42%	30%

Metals & Minerals of the future

- Pursuing value accretive opportunities in metals and minerals of the future.
- **Jadar:** A potential world-class lithium-borate resource discovered by Rio Tinto:
 - Jadarite: Li-Na-Borosilicate mineral comprising 47.2% B_2O_3 and 7.3% Li_2O
 - Updated mineral resource estimate from 117Mt to 136Mt in March 2017.
 - The project is progressing through the middle study stages

Resource estimates as released to the market in the 2016 Rio Tinto Annual Report on 2 March 2017. The Competent Persons responsible for reporting of those Mineral Resources were M Sweeney and J Garcia. Rio Tinto is not aware of any new information or data that materially affects the resource grade estimate as reported in the 2016 Annual Report, and confirms that all material assumptions and technical parameters underpinning this estimate continue to apply and have not materially changed. The form and context in which each Competent Person's findings are presented have not been materially modified.



Energy & Minerals delivering superior returns H1 17

- ✓ Focus on cash and value over volume
- ✓ Underlying earnings of \$652 million
- ✓ Delivered \$1.5 billion of cumulative savings compared with 2012 base
- ✓ Gross sales revenues of \$3,855 million
- ✓ Strong net cash of \$1,057 million generated from operations

