TITLE SLIDE - GENERATING SIGNIFICANT BUSINESS VALUE

Our 2013 production matched global guidance of 266 million tonnes and, by some margin, we continue as the Pilbara’s lowest cost producer.

Simultaneously, we are expanding.

At IOC in Canada we are shortly to complete an expansion to 23.3Mt/a.

In the Pilbara, we are undertaking Australia’s largest ever integrated mineral resources project, at the most competitive capital intensity. It will have an annual capacity of around 360Mt in 2017.

And we maintain a strong leadership position in the technology and innovation space.

To say there’s a lot going on is an understatement.

SLIDE 2 - CAUTIONARY STATEMENT

SLIDE 3 - BRINGING CAPACITY ON-LINE TO MEET GROWTH IN TRADITIONAL AND DEVELOPING REGIONS

In reconfirming our view of the market, we continue to see an attractive longer term demand for iron ore, driven particularly by China.

There will be short term volatility, proof of which you are seeing this week.

Our assessment remains that China will reach around 1 billion tonnes of crude steel demand by 2030.

Many millions more rural dwellers will move into urban settings, driving construction steel demand. Living standards will rise, increasing domestic consumption and demand for steel to feed, for example, the automotive and machinery sectors.

China will not be alone driving demand. There are other contestable iron ore markets which are likely to develop, including ASEAN countries, with a combined population over 600 million, as well as India and the Middle East.

Other considerations will also impact iron ore demand:

Scrap steel will impact Chinese iron ore demand towards 2025, as a generation of buildings, machinery and automobiles are recycled;

A response to air quality concerns in China is likely to see old steel-making capacity being closed in favour of newer lower polluting mills.

Higher standards in air quality control is likely to drive demand for higher grade iron ore products, both lump and pellet and higher grade fines. Low grade iron ore with high impurities will come under pressure.
And, while recognising that new large volumes are coming to market, we also know that for a variety of reasons, it remains difficult to do so.

Actual tonnes to market has not necessarily equated to tonnes from advertised projects.

**SLIDE 4 - RAPID UPTAKE OF 2014 OFF-TAKE OPPORTUNITIES WITH UNFULFILLED DEMAND FOR RIO TINTO IRON ORES**

On balance, we believe that our continued expansion makes sense as the lowest cost large volume producer in the world.

With increased volumes this year- and prospects of shipping slightly more than our 295Mt global production guidance- our objective remains to provide our customers with reliable, long term and high quality supply.

Long term customer relationships remain an integral component of our marketing strategy and term contracts will continue to represent the majority of our sales portfolio.

The Rio Tinto Pilbara Blend products continue to be the industry benchmark and the product of choice for Asian steel producers, with Pilbara Blend Fines by volume the single largest traded ore brand in the world.

At current and expected medium term production rates, we can maintain our Pilbara Blend for several decades to come.

Of our total 2014 Pilbara volume, approximately 85 per cent will be sold under long term contracts, with around 15 per cent of production to be sold in the spot market.

By increasing participation in the spot market we will help ensure that pricing indices more accurately reflect the market clearing price of our products.

**SLIDE 5 - IRON ORE COMPANY OF CANADA: FULLY INTEGRATED MINE TO PORT SYSTEM**

Turning now to our operations.

Let me briefly cover the Iron Ore Company of Canada, with a mine, concentrator and pelletising plant in Labrador City, and 400 kilometres of rail linking to port facilities at Sept-Îles.

IOC has a consistently high quality product with the lowest phosphorus in the industry. It attracts a very good pellet premium, which is expected to be maintained.

In 2013, saleable production was 15Mt, nine per cent higher than the previous year.

A Concentrator Expansion Project was initiated in 2010 to remove system bottlenecks and to grow production to 23.3Mt/a by adding mining fleet, power infrastructure and grinding and spiral capacity. The project will be finalised in the first half of this year.

Frankly, the production growth rate has not been achieved as quickly as was expected.

And this year, operations have already been impacted by the same polar vortex that has caused severe weather disruptions across Canada and North America over the past few months.

The key is to now match operational performance with capacity as quickly as possible, which should see unit costs decline to historically low levels.
Turning to the Pilbara, which has been the mainstay of our iron ore business since 1966.

We were the first to ship iron ore from the region in this year- from the original Tom Price mine, which is still producing.

Today, we have a suite of high quality, fully owned and operated assets, with enormous optionality.

We are producing from 15 mines, and have 1600kms of rail linking to 4 shipping terminals, each of which, as best logic dictates, has space to blend product at the ship loader.

I’m not sure others in the Pilbara are quite so fortunate.

We also operate 3 power stations and a range of associated infrastructure.

We fully integrate the system via our Operations Centre in Perth, with all mines, rail, ports and infrastructure running 24 hours a day, 365 days a year.

Our updated resources and reserves will be released with our annual report on Friday. At the end of 2012 we had resources of 18.4 billion tonnes and reserves of 2.9 billion tonnes, which is plenty of material to keep us busy for several decades.

We continue to increase the confidence levels in our Resources base by drilling ahead of the program requirements and enabling timely conversion to Reserves.

It is providing great optionality, while at the same time ensuring cost efficiencies and reduced waste.

And our focussed brownfields exploration drilling continues to generate positive results to support the sustainability of our business.

Last month, Rio Tinto’s 2013 full year results were released, with the Iron Ore business producing strong and improved production, underlying EBITDA and earnings figures.

The Pilbara operations are front and centre to this, with mine production of 251 million tonnes for the year, posting record quarter-on-quarter and annual iron ore production, rail and shipment volumes.

All this in spite of severe weather impacts, including a tropical cyclone and unseasonal wet weather events across the first, second and fourth quarters.

While, given our expansion phase, you would expect improving operational performances, in practice they are also being achieved through low cost, high return improvement opportunities.

This includes better planning and coordination, debottlenecking and other productivity enhancements, as well as through sustainable cost management initiatives.

Let me give you a few examples of this work.
With a granular focus on productivity and asset utilisation, there are literally hundreds of improvement opportunities, and we are targeting each and every one of them.

We are improving the productivity of our truck fleet. For example, introducing the larger 930E trucks to increase average payloads and reducing overall truck numbers to ‘right size’ the fleet, optimising cycle times and payload management.

A pilot at West Angelas has resulted in 6 of 55 trucks being made redundant there and available for use at other mines.

In rail, improvements are resulting from the introduction of our electronic controlled pneumatic braking system; from the use of larger ore cars; and from improved train loading times.

Remember, that even a small amount of extra ore in each of our 12,000 ore cars is significant on an annualised basis.

And at our Parker Point port terminal, we have increased outload capacity by 1000 tonnes an hour or around 12Mt/a.

And on the costs front, we have been equally deliberative and enthusiastic about finding cost savings, with initiatives across operations, maintenance and better planning.

Some brief examples.

Improved crane maintenance strategies have included rescheduling and alignment of maintenance shuts and a reduction in crane hire equipment.

This has resulted in $1.4 million of crane hire savings at Brockman 4 alone.

Rationalising training to what is really necessary, and streamlining its delivery, has resulted in cost savings of around $20M/ yr, as well as about 200,000 person hours per year being returned to the business.

And there’s a $4M reduction in hire car expenditure, as well as an identified savings of over $5 million/year through the centralisation and relocation of Pilbara administrative roles to Perth.

This is a relentless focus that will result in us finding more cost savings.
SLIDE 10 – SIGNIFICANT GAINS MAINTAINS THE BUSINESS AS THE PILBARA’S LOWEST COST PRODUCER

Chasing the many improvement opportunities at all levels within the business continues to be great news for both our cash cost performance and our operational profitability.

We have made large gains through controlling our cash operating costs, together with maximising throughput from our integrated system, both via productivity gains and volume growth.

We remain the lowest unit cost producer in the Pilbara, with a 2013 full year cash unit cost of US$20.80/t, 11 per cent lower than in 2012, and a position of real advantage locally.

With reference to EBITDA performance, Rio Tinto continues to capture a greater margin, as well as the best margin of Pilbara producers.

With our increasing production and our continued costs and productivity focus, I am again expecting further improvement on these positions.

SLIDE 11 – 290Mt/a INFRASTRUCTURE COMPLETE AND QUICKLY RAMPING TO FILL CAPACITY

At the same time we’ve been pushing the operational agenda, we have delivered a 53Mt/a expansion to 290Mt/a.

The 290 Cape Lambert B project was finished last year, four months ahead of schedule and $400 million under budget, with first ore on ship in August.

New 290 rail features primarily rail siding and crossover constructions and the introduction of the electronically-controlled train braking system.

And the Nammuldi below water table mine completes the 290 picture, remaining on schedule for commissioning later in the year.

The full ramp-up to nameplate capacity of 290Mt/a is anticipated to be ahead of the original schedule, by the end of the first half of 2014.

Already we have frequent excursions in excess of 290Mt/a, both with run rates at the separate mines, rail and ports assets, as well as with the system as a whole.

The performance is variable however, and remains a little way short of us calling a continuous 290Mt/a run rate.

Our ability to ramp-up to a 290Mt/a rate ahead of the Nammuldi mine commissioning relates to the bulk stocks we have deliberately increased at the mines over the past two years.

Approximately 5Mt of these stocks will be drawn down over the next 12 months, a process that will continue through 2015 and 2016.
Our expansion to 360Mt/a capacity commenced with infrastructure development, fully approved and scheduled for completion by the first half of 2015.

With Cape Lambert port, all major packages have now been awarded.

Earthworks are completed and civil works are nearing completion.

Structural/Mechanical/ and Piping works have commenced, with steel already fabricated and on site.

In rail, all rolling stock contracts have been awarded.

For the 70kms of duplication between Cape Lambert and Rosella, full earthworks and track construction are complete.

The 35kms section between Cape Lambert and Arches is currently being commissioned and will be operational shortly, some 5 months ahead of schedule.

The remaining section will be commissioned in late Q2 14, presently ahead of schedule and within budget.

There is still 15 months to go, but I am optimistic that, given our track record, the overall 360 infrastructure project will be delivered on time and budget or better.

In December last year, we announced the growth pathway to feed the infrastructure.

It utilises brownfield mine options at existing operations and provides a rapid, low cost option for capacity to increase from 290 million tonnes, to over 350 million tonnes per annum by 2017.

The first of these growth projects, a 6Mt/a production increase at West Angelas Deposit B, was approved last month.

The brownfields pathway in turn allowed for the deferral of Silvergrass, a near-term greenfield mine development.

And, significantly, the Koodaideri mine will now not be required until at least 2019.

In summary, the brownfield pathway equates to more than US$3 billion saving in growth capital over the next 3 years.

And, importantly, the related ‘all in’ capital intensity is reducing from the mid US$150s/t to between $120-130/t on a 100 per cent basis.
Finding new ways to create additional value has also been extended to our sustaining developments.

For example, In February this year, we approved the development of Western Turner Syncline Phase 2, increasing production from 15Mt/a to 22Mt/a to replace tonnes from Tom Price.

Near mine prospective drilling at Western Turner Syncline Phase 1 generated a new mine plan that extended the life of Phase 1.

For at least three years, a trucking option will link Phase 2 production to the existing Phase 1 conveyor and crusher.

Seems a simple option, and it is- but it defers for this time capital expenditure of around half a billion dollars.

Further, this deferral does not result in any reduction of Net Present Value.

Turning now to our Mine of the Future™ programme, in which we have developed a significant global leadership position.

Since 2008, our current Autonomous Haul Truck fleet has moved over 130 Mt of material. By the end of 2014, we will have a total of 67 autonomous trucks deployed at Yandi, Nammuldi and Hope Downs 4.

The autonomous truck fleet is delivering enhanced safety, reduced fleet requirements and is expected to yield an effective utilisation improvement in the order of 10-15 per cent once an operation matures with its deployment.

Our autonomous activities also extend across our rail network, with our AutoHaul™ project, which will eliminate driver changeovers, enhance capacity, improve safety and reduce train numbers.

Work on this project is progressing well and we expect it to be fully operational in 2015.

It is important to remember, however, that technology-driven solutions are not the golden goose.

It is our people and our culture that are fundamental to achieving a united focus, creative solutions and excellent performance.

We have thousands of contributors in this regard, right across the organisation.

To enhance this contribution, we are re-positioning the business as a collaborative network of “high performing teams”.

I believe the associated attributes will continue to drive our overall leadership position.
In conclusion, my mission is to maximise the value of the iron ore business.

Safety is and will always be our number one priority. None of our efficiency gains or productivity improvements will mean anything unless we do our best to make sure that everyone goes home safe each day.

I recognise and respect our many local stakeholders— for example, liaison with the community groups around our operations and with local, state and federal government agencies and Ministerial offices; as well as broader partnering with organisations to make a difference to West Australia and West Australians.

We must stay focussed on considered, value-driven growth and we are working hard to reduce even further our industry-leading capital intensities, as well as the time it takes to ramp-up, post the commissioning of projects.

We are at the same time consolidating and taking stock, being particularly careful about how we spend and how we improve. As I said, it is a relentless quest.

We want to remain the lowest cost producer and we want to continue to reap the benefits of innovative breakthroughs in technology and mining system design.

*******