Capital Markets Day
24 November 2016
Sydney
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Mineral Resources and Ore Reserves

The Pilbara Mineral Resource and Ore Reserve estimates which appear on slide 31 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 2015 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 A Do (Reserves 2015).

Rio Tinto’s global bauxite Mineral Resource and Ore Reserve estimates which appear on slide 53 are shown as Rio Tinto’s share only. These Mineral Resource and Ore Reserve estimates were provided in the Mineral Resource and Ore Reserve statements in the 2015 Rio Tinto annual report to shareholders released to the market on 3 March 2016. The Competent Persons responsible for reporting of those Mineral Resources and Ore Reserves were J Bower, G Girouard, M A H Monteiro (Resources) and L McAndrew, J-F Durand-Smet and C J da Silva (Reserves). Rio Tinto is not aware of any new information or data that materially affects the information as reported in the 2015 annual report.

The Mineral Resource estimates which appear on slide 69 are based on the Mineral Resource statements in the 2015 Rio Tinto Annual Report to shareholders released to the market on 3 March 2016. The Competent Person responsible for reporting of the Mineral Resources was J Garcia (Eurogeol) a full time employee of Rio Tinto. Mineral Resources were reported for Lithium at 117Mt @1.8% Li₂O (equivalent to 2.1Mt Li₂O) and Borates at 18Mt B₂O₃ (representing 117Mt @15.53% B₂O₃).

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 2015 annual report. All material assumptions on which the estimates in the 2015 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 product tonnes. Mineral Resources are reported on an in situ basis.

Production Targets

The production target for Amrun shown on slide 9 was disclosed in a release to the market dated 27 November 2015 (“Rio Tinto approves US$1.9 billion Amrun (South of Embley) bauxite project”).

The production target for Oyu Tolgoi shown on slide 9 is the average production 2025-2030, including open pit production. This production target was disclosed in a release to the market on 6 May 2016 (“Rio Tinto approves development of Oyu Tolgoi underground mine”).

All material assumptions underpinning these production targets continue to apply and have not materially changed.
Capital Markets Day

J-S Jacques
Chief executive
Consistent delivery of value

Long-term strategy

Cash focus

Capital discipline and shareholder returns

Team and performance culture
We are well positioned to deliver sustainable returns

<table>
<thead>
<tr>
<th>Industry themes</th>
<th>Our opportunities</th>
<th>Productivity and margins</th>
<th>Maturing China</th>
<th>Resilience</th>
<th>Growth</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>Operating and commercial capability</td>
<td>Market-leading products</td>
<td>Commercial capability</td>
<td>Tier 1 assets</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Culture of cost reduction and cash generation</td>
<td></td>
<td>Strategic partnerships</td>
<td>Three major funded capital projects</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>Exploration and project capability</td>
</tr>
</tbody>
</table>

![Image 1](image1.jpg)  
![Image 2](image2.jpg)  
![Image 3](image3.jpg)  
![Image 4](image4.jpg)
Strategy will deliver value through the cycle

Superior cash generation

World-class assets

Portfolio

Operating excellence

Performance

Capabilities

People & Partners

Disciplined capital allocation

Balance sheet strength

Superior shareholder returns

Compelling growth
## World-class assets at the core of our business

<table>
<thead>
<tr>
<th>Main businesses</th>
<th>Iron Ore</th>
<th>Bauxite</th>
<th>Aluminium</th>
<th>Copper</th>
</tr>
</thead>
<tbody>
<tr>
<td>Pilbara</td>
<td>Bauxite</td>
<td>Canadian smelters</td>
<td>Oyu Tolgoi, Escondida</td>
<td></td>
</tr>
</tbody>
</table>

### Competitive advantages

<table>
<thead>
<tr>
<th>Iron Ore</th>
<th>Bauxite</th>
<th>Aluminium</th>
<th>Copper</th>
</tr>
</thead>
<tbody>
<tr>
<td>Low-cost, world-class assets</td>
<td>Large, low-cost bauxite assets</td>
<td>First quartile smelters</td>
<td>Large, long-life, low-cost</td>
</tr>
<tr>
<td>Integrated infrastructure</td>
<td>Technical leadership and marketing</td>
<td>Low-cost renewable power</td>
<td>Attractive growth options</td>
</tr>
<tr>
<td>Benchmark product</td>
<td>Technical marketing</td>
<td>Technology and innovation</td>
<td></td>
</tr>
</tbody>
</table>

### H1 2016 margins

<table>
<thead>
<tr>
<th>Iron Ore</th>
<th>Bauxite</th>
<th>Aluminium</th>
<th>Copper</th>
</tr>
</thead>
<tbody>
<tr>
<td>58%</td>
<td>48%¹</td>
<td>21%¹</td>
<td>47%¹</td>
</tr>
<tr>
<td>FOB EBITDA margin</td>
<td>FOB EBITDA margin</td>
<td>Operating EBITDA margin</td>
<td>Operating EBITDA margin</td>
</tr>
</tbody>
</table>

¹ Margins exclude product group overheads
**Industry-leading growth of >2%**¹…

<table>
<thead>
<tr>
<th>Project</th>
<th>Description</th>
<th>Capacity/Mt/a</th>
<th>Timeline</th>
</tr>
</thead>
<tbody>
<tr>
<td>Silvergrass</td>
<td>delivering high-value iron ore with system benefits for the Pilbara Blend</td>
<td>20</td>
<td>H2 2017</td>
</tr>
<tr>
<td>Amrun</td>
<td>high-quality greenfield bauxite project</td>
<td>22.8</td>
<td>H1 2019</td>
</tr>
<tr>
<td>Oyu Tolgoi underground</td>
<td>large, high-grade, brownfield copper development</td>
<td>~560</td>
<td>(2025-2030)</td>
</tr>
</tbody>
</table>

¹ Copper equivalent CAGR, 2015-2025. ² Refer to the statements supporting these production targets set out on slide 3 of this presentation.
…with optionality of a broader portfolio

Shaping our current portfolio

$5.3 billion\(^1\) of disposals since 2013

2016 disposals include:
- Bengalla
- Mount Pleasant
- Lochaber

Expanding our future portfolio

- Incubator for new minerals and projects
- Leading exploration and project capability
- Exploring for 8 commodities across 17 countries

Jadar lithium project, Serbia

\(^1\) Based on amounts announced in Rio Tinto media releases, may vary from cash flow statement due to completion adjustments and exchange rates
Safety comes first

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

Fatality at Paraburdoo in June

Continued focus on personal and process safety across all operations

Group-wide implementation of new Critical Risk Management (CRM) Programme

- What can kill me at work?
- What controls will stop that happening?
- Are those controls in place?
We will deliver $5 billion of free cash flow in productivity improvements over five years

Value Chain

Exploration | Major projects | Mining | Asset management | Processing | Infrastructure | Marketing

Broadening our cost saving programme to include productivity

- **Opportunity to improve by 30%**
  - Haul Truck Effective Utilisation

- **Opportunity to improve up to 70%**
  - Maintenance Quality – Mean Time Between Failure

- **Opportunity to improve by 30%**
  - Processing Utilisation – wet & dry

All sources Rio Tinto. ¹ All trucks best to worst performing, excluding autonomous trucks. ² Across a range of key assets with utilised time representing one element of MTBF. ³ Across wet & dry mineral processing, excluding smelting.
Protecting our licence to operate

Exploration

Closure and rehabilitation
Holden Copper Mine, US

Operations
Developing our people and capabilities

Building capabilities

Technical excellence

Commercial excellence
Focusing on value over volume

Maximising free cash flow through the cycle

Revenue
- Price impact of incremental tonnes
- Protecting quality

Operating cost
- Unit cost
- Impact on cost base

Capex
- Sustaining
- Replacement
- Growth
Consistent delivery of value

- Long-term strategy
- Cash focus
- Capital discipline and shareholder returns
- Team and performance culture

Rio Tinto
Capital Markets Day

Chris Lynch
Chief financial officer
Generating significant returns for shareholders

Consistently high margins despite lower revenues
EBITDA margin and gross revenue 2013 – H1 2016

<table>
<thead>
<tr>
<th></th>
<th>EBITDA margin (%)</th>
<th>Gross revenues ($bn)</th>
</tr>
</thead>
<tbody>
<tr>
<td>H1 2013</td>
<td>36</td>
<td>8.5</td>
</tr>
<tr>
<td>H2 2013</td>
<td>43</td>
<td></td>
</tr>
<tr>
<td>H1 2014</td>
<td>41</td>
<td>18.6</td>
</tr>
<tr>
<td>H2 2014</td>
<td>38</td>
<td></td>
</tr>
<tr>
<td>H1 2015</td>
<td>36</td>
<td>6.3</td>
</tr>
<tr>
<td>H2 2015</td>
<td>30</td>
<td></td>
</tr>
<tr>
<td>H1 2016</td>
<td>33</td>
<td>15.1</td>
</tr>
</tbody>
</table>

Disciplined allocation of cash
Cash flows 2013 – H1 2016 ($ billion)

<table>
<thead>
<tr>
<th>Sources</th>
<th>Uses</th>
</tr>
</thead>
<tbody>
<tr>
<td>2.2</td>
<td>15.1</td>
</tr>
<tr>
<td>4.4</td>
<td>6.3</td>
</tr>
<tr>
<td>6.8</td>
<td>18.6</td>
</tr>
<tr>
<td>3.5</td>
<td>8.5</td>
</tr>
<tr>
<td>31.7</td>
<td></td>
</tr>
</tbody>
</table>

Other Sources:
- Other
- Disposal
- Cost savings
- Working capital improvements
- Base operating cash flow

Returns to shareholders
- Debt reduction
- Growth capex
- Sustaining capex
Our capital allocation framework

1 Essential sustaining capex

2 Ordinary dividends

3 Iterative cycle of

~$10 billion

2017 operating cash flow at Q3 average prices¹

¹ Based on Q3 2016 average prices
Disciplined capital allocation to the most compelling projects

Only major miner investing through the downturn

Capital allocation discipline requires project IRR >15%

Growth capital is focused around three key approved projects:

- Amrun bauxite
- Oyu Tolgoi Underground
- Silvergrass

Brownfields Pilbara mines replacement capital intensity of $5 - $20 / tonne
Best in sector balance sheet is a competitive advantage

**Net debt and gearing ratio** at 30 June 2016

<table>
<thead>
<tr>
<th></th>
<th>$ billion</th>
</tr>
</thead>
<tbody>
<tr>
<td>Rio Tinto</td>
<td>12.9 23%</td>
</tr>
<tr>
<td>Peer 1</td>
<td>26.1 30%</td>
</tr>
<tr>
<td>Peer 2</td>
<td>11.7 35%</td>
</tr>
<tr>
<td>Peer 3</td>
<td>23.6 36%</td>
</tr>
</tbody>
</table>

**Rio Tinto net debt and gearing ratio**

<table>
<thead>
<tr>
<th></th>
<th>$ billion</th>
</tr>
</thead>
<tbody>
<tr>
<td>Jun-13</td>
<td>22.1 28%</td>
</tr>
<tr>
<td>Dec-13</td>
<td>18.1 25%</td>
</tr>
<tr>
<td>Jun-14</td>
<td>16.1 22%</td>
</tr>
<tr>
<td>Dec-14</td>
<td>12.5 19%</td>
</tr>
<tr>
<td>Jun-15</td>
<td>13.7 21%</td>
</tr>
<tr>
<td>Dec-15</td>
<td>13.8 24%</td>
</tr>
<tr>
<td>Jun-16</td>
<td>12.9 23%</td>
</tr>
</tbody>
</table>

Stable foundation during market volatility

Enables counter-cyclical investment in compelling growth

Supports shareholder returns through the cycle

Guidance of 20-30% gearing ratio through the cycle

– Remains in lower half of gearing range

1 Gearing ratio (●) = net debt / (net debt + book equity)
Near-term maturities greatly reduced

Proforma 31 October 2016 debt maturity profile

$6.0 billion of debt purchased or repaid with cash in H1 2016

$4.1 billion of Oyu Tolgoi Project Finance fully consolidated in H1 2016

Additional $3 billion bond purchase completed in October 2016
– Average outstanding bond maturity now ~11.5 years

1 Based on June 2016 debt carrying values, before and after H1 and H2 reductions
Delivering superior shareholder returns

**Balanced capital allocation**

Maintain an appropriate balance between:

– Investment in compelling growth projects with IRR >15%; and

– Total shareholder cash returns of 40-60% of underlying earnings through the cycle

Supplement ordinary dividends with additional returns in periods of strong earnings and cash generation

Remains the Board’s intention for 2016 full year dividend of not less than 110 US cents per share

Balance between interim and final to be weighted towards the final dividend

Board to determine appropriate ordinary dividend per share, taking into account:

– Results for the financial year

– Outlook for our major commodities

– View on the long-term growth prospects

– Objective of maintaining a strong balance sheet
Delivering optimal value

Chris Salisbury, chief executive, Iron Ore

24 November 2016
Delivering optimal value from one of the world’s best businesses

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

Iron Ore All Injury Frequency Rate
Per 200,000 hours worked

Tragic loss of life at Paraburdoo – June 2016

Focus on fatality elimination and injury prevention

Critical Risk Management focus
– critical controls
– field verifications
– accountabilities
– use of data to focus on weak areas
## Major trends influencing the iron ore market

<table>
<thead>
<tr>
<th>Steel production resilient……</th>
<th>…..with continued high cost iron ore supply exits</th>
</tr>
</thead>
<tbody>
<tr>
<td>Steel production has been resilient in 2016</td>
<td>Exits of higher cost producers</td>
</tr>
<tr>
<td>Replacement cycle a more significant driver of steel consumption</td>
<td>Lower concentrate availability</td>
</tr>
<tr>
<td>Scrap increasingly important</td>
<td>Impact of depletion</td>
</tr>
<tr>
<td></td>
<td>Increased supply from low-cost producers and new entrants</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Changing nature of financial markets……</th>
<th>…and of regulatory frameworks</th>
</tr>
</thead>
<tbody>
<tr>
<td>Increased liquidity in iron ore paper markets influences sentiment</td>
<td>Environmental restrictions</td>
</tr>
<tr>
<td>Presence of non-physical players in market creates more price volatility</td>
<td>Steel capacity reductions / consolidation</td>
</tr>
<tr>
<td></td>
<td>Energy caps</td>
</tr>
<tr>
<td></td>
<td>By-product value / disposal costs</td>
</tr>
</tbody>
</table>
Supply continues to moderate…..

Iron ore supply exits
Million tonnes

- Continue to anticipate further additions of low-cost supply out to end of decade but this is moderating
- Expect exits to keep pace with entries over time to bring market into equilibrium
  - Unsustainable cost reductions unwind
  - Deteriorating balance sheets see reduced investment to sustain businesses / operations
...but we remain well-placed with five highly-valued products....

### Shipments by product and market 2016 YTD*

![Diagram with pie chart showing shipment percentages.]

* Year-to-date as at end September 2016

<table>
<thead>
<tr>
<th>Product</th>
<th>Strengths</th>
</tr>
</thead>
<tbody>
<tr>
<td>Pilbara Blend Fines</td>
<td>- The most traded iron ore product globally</td>
</tr>
<tr>
<td></td>
<td>- Base load sinter blend in Asian markets</td>
</tr>
<tr>
<td>Pilbara Blend Lump</td>
<td>- Avoids the costs of sintering</td>
</tr>
<tr>
<td>HIY Fines</td>
<td>- Ideal chemical composition for the Asian sinter blends and favourable coarse sizing.</td>
</tr>
<tr>
<td>Robe Valley Fines</td>
<td>- Favourable coarse sizing, low phosphorus</td>
</tr>
<tr>
<td>Robe Valley Lump</td>
<td>- Low phosphorus</td>
</tr>
<tr>
<td></td>
<td>- Avoids the costs of sintering</td>
</tr>
</tbody>
</table>

* RVL | RVF | HIY | PBL | PBF | China | Japan | Korea | Taiwan & other

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…including the industry benchmark Pilbara Blend

Blending reduces product variability
Product quality variance from mean

Customers value the consistency and liquidity of the Pilbara Blend
– Easier to manage blast furnace mix
– Technical expertise provided to maximise value in use
– Easily traded product
– Reduces inventory

PB fines is the only product with a Platts ‘brand differential’ in recognition it is worth more than the index

Lump is a significant value driver
– Rio Tinto is the largest lump producer (~25% of our tonnes)
– Platts lump premium averaged ~$10/dmt to the 62% fines index*

Platts 62% Fe index and lump premium 2016 YTD*
US$/dry metric tonne

*Prices year-to-date as at end September 2016

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We have substantial resources sustaining future production…

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

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
……and a fully integrated asset network

- **12,000** Workforce
- **15** Mines
- **1,700km** Rail
- **4** Port terminals
- **3** Power stations
- **370** Haul trucks
- **51** Production drills
- **190** Locomotives
Maximising cash flow and sustaining our competitive advantage

**EBITDA margin RTIO Pilbara vs Peers**
US$ per tonne (15/16 FY)

-25%

1H 2016 cash unit cost of $14.30/t

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

$1.2bn

~ $1.2 billion in pre-tax cost improvements since 2012
Pipeline of >1000 productivity and cost improvement initiatives
Replicating best practice drives greater value……

**Haul Truck Effective Utilisation**
Time %, indexed, Sept YTD, site comparison

- IO Manned Ave.: 1.00
- IO Autonomous Ave.: 1.14
- IO Best Autonomous: 1.23

**Plant Effective Utilisation**
Time %, indexed, Sep YTD, site comparison

- IO Ave.: 1.00
- IO Best Perf.: 1.17

Collaboration and standardisation, with data analytics assisting rapid change

370 trucks operating, around 20% autonomous

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

Automation retrofit potential being explored

Currently >30% volume beneficiated
- Ore quality and product handleability

Replicating best practice across the system:
- Conveyor system availability
- Process control improvement
…as does productivity and technology

![Graph showing train dumping cycle time](image1)

**Train dumping cycle time**
Indexed to 2015 monthly average

- High
- Low
- Avg

- 1.00
- 0.96

-46% variability

<table>
<thead>
<tr>
<th>Year</th>
<th>2015</th>
<th>2016 Sep YTD</th>
</tr>
</thead>
<tbody>
<tr>
<td>Current rail system</td>
<td></td>
<td></td>
</tr>
<tr>
<td>AutoHaul®</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

![Graph showing train loading cycle time](image2)

**Train loading cycle time**
Indexed to 2015 average

- 1.00
- 0.94

-6%

<table>
<thead>
<tr>
<th>Year</th>
<th>2015</th>
<th>2016 Sep YTD</th>
</tr>
</thead>
<tbody>
<tr>
<td>Current rail system</td>
<td></td>
<td></td>
</tr>
<tr>
<td>AutoHaul®</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**AutoHaul®**

- Improves safety controls and productivity
- Improves driving strategy – with or without driver on train
- Progressively expand in 2017; fully implemented by end 2018
Installed infrastructure offers high-value optionality

Optimising system capacity

<table>
<thead>
<tr>
<th>Mt/a</th>
<th>Production optionality</th>
</tr>
</thead>
<tbody>
<tr>
<td>Mines</td>
<td>Silvergrass and productivity</td>
</tr>
<tr>
<td>Rail</td>
<td>Autohaul® and productivity</td>
</tr>
<tr>
<td>Port</td>
<td>Production optionality</td>
</tr>
</tbody>
</table>

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

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

2017 guidance in range of 330-340Mt
Sustaining best value production

Low-cost brownfield mine expansions have dominated
Pilbara mine capital intensity US$/t installed

Bubble size indicates capacity

Brownfield mine expansions have dominated production
- Initial brownfield expansions at $9/t
- Focus on low phosphorus ores for Pilbara Blend

Focus on maintaining low capital intensity
- Nammuldi Incremental Tonnes (NIT) at $19/t

Nammuldi Incremental and Silvergrass in development (~20 Mt/a capacity)
Silvergrass on track to deliver world-class investment returns

Full Silvergrass mine development approved in July 2016

~20Mt/a at US$29/t capital intensity (CI)  |  Mine sustains Pilbara Blend quality  |  Operating costs significantly reduced  |  IRR >100%¹

¹IRR calculated using consensus iron ore prices at May 2016
High-quality, low-cost options available to offset depletion

Pilbara mine development options
US$/t Installed capital intensity

Multiple options leveraging existing infrastructure
- West Angelas Deposit F and Yandi Oxbow Capital Intensity <$10/t; IRR >100%

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

Koodaideri option underpins Pilbara Blend, low-cost operations. 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

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
A workforce of fully-engaged employees

Safety remains fundamental priority

Working to increase engagement

– Removing obstacles
– Greater inclusion and diversity

Transforming business

– Seeking new skills and ideas in supply chain logistics, data analytics, automation
Highly-valued partners and sustainable local and regional investment remain a priority

Regional and local commitment
- Local employment & procurement a priority
- Workforce of 12,000
- >1,000 fly-in/fly-out employees from six regional WA towns

In the last decade
- >$13 billion State royalties
- ~$700 million in payroll tax
- ~$30 billion in company tax
- $300 million in Pilbara community investment
### Delivering optimal value from one of the world’s best businesses

<table>
<thead>
<tr>
<th>Quality people and partners</th>
</tr>
</thead>
<tbody>
<tr>
<td>Exclusively operated integrated asset, significant resource base, highly-valued product suite</td>
</tr>
<tr>
<td>Strong cash flows through the cycle</td>
</tr>
<tr>
<td>Focus on raising mine to market productivity</td>
</tr>
<tr>
<td>Multiple options to optimise system value</td>
</tr>
<tr>
<td>Low-capital intensity replacement mine options</td>
</tr>
</tbody>
</table>
Leading performance through the cycle

Portfolio quality – Capitalising on our leading competitive positions

Performance – Continuing strong track record of delivery

Growth – Moving our bauxite business from option rich to option ready
Safety is a fundamental business priority

Aluminium all injury frequency rate
Per 200,000 hours worked

Note: Year-to-date 2016 represents January to September
Rapid growth in bauxite imports in China
Million tonnes of bauxite equivalent¹

Rising demand for bauxite in China driven by aluminium demand growth (6%) and alumina production growth (19%) over the last ten years

China will continue to add refining capacity, with majority of growth in Northern coastal provinces

Imports will continue to play an increasingly important role as domestic bauxite quality declines

¹Assumes a bauxite to alumina ratio of 2.4. Imported bauxite shown after subtracting stock accumulation. Source: Rio Tinto, GTIS, CRU Group; all growth percentages are CAGR.
Aluminium gradually moving back to balance

Primary aluminium production, consumption and stocks

- Aluminium dealing with excess inventory and capacity overhang from the global financial crisis
- Market rebalancing delayed by sustained Chinese capacity growth
- Supply growth outside China mostly contained to India and Middle East
- Prices cutting into cost curve
- Rapid recovery unlikely and expect stocks to revert back to long-run levels over next five years

Source: CRU Group
## Strategy for outperformance through the cycle

<table>
<thead>
<tr>
<th>Competitive advantage</th>
<th>Bauxite</th>
<th>Aluminium</th>
</tr>
</thead>
<tbody>
<tr>
<td>Industry-leading bauxite position</td>
<td>Size, quality, proximity to markets</td>
<td>Low first quartile cost</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Low-carbon, low-cost power</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Strategic focus</th>
<th>Bauxite</th>
<th>Aluminium</th>
</tr>
</thead>
<tbody>
<tr>
<td>Market-paced high-margin growth</td>
<td></td>
<td>Strong cash flow generation</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Key enablers</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Competitive alumina supply to our smelters</td>
</tr>
<tr>
<td></td>
<td>Commercial excellence from mine to market</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Strategic goal</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Leading performance through the cycle</td>
</tr>
</tbody>
</table>
Consistently increasing shareholder value

Increased bauxite exports by 28% since 2014

Amrun on track for first bauxite in H1’19

Alumina transformation to deliver positive FCF and volume increase of 0.3Mt in 2016

Smelting cost position from Q2 to low Q1 since 2013

Kitimat reached design capacity and first decile

Cash costs reduced by $1.4bn since 2013
On track to exceed $1.4 billion of cost improvements

On track to exceed 2016 target of $300m

Cash cost improvements
US$ million

<table>
<thead>
<tr>
<th>Year</th>
<th>Raw Materials</th>
<th>Production</th>
<th>Functional Support</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>2013</td>
<td>574</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2014</td>
<td>232</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2015</td>
<td>326</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2016F</td>
<td>300+</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td></td>
<td></td>
<td></td>
<td>1,500</td>
</tr>
</tbody>
</table>

Industry-leading upstream margins

Upstream EBITDA margin versus peers

Percentage

--- | --- | --- | --- | --- | --- | --- | --- | --- | --- | ---
0% | 10% | 20% | 30% | 40% | 50% |

1Rio Tinto internal analysis which includes adjustments to externally reported EBITDA margins, trading, procurement and marine revenues to report performance on a comparable basis. Analysis excludes the Gove alumina refinery. Competitors included in the analysis are Rusal, Hydro, Alcoa.
Unrivalled Tier 1 assets
- Largest bauxite position with global footprint
- Generating attractive margins

Logistics advantage
- Proximity to China and Middle East
- Dedicated port infrastructure

Differentiated value proposition
- High alumina content
- Security of supply, flexibility in offering and consistent quality
- Valuable technical support

Moving from option-rich to option-ready
- Amrun and CBG Phase 1 progressing
- Development pathways in Cape York, CBG and MRN

1 Refer to the statements supporting the above Rio Tinto resource and reserve estimates and relevant Competent Person references set out on slide 3 of this presentation.
2 Competitor data taken from published company data. For South32, Resources are reported inclusive of Ore Reserves. EGA and Rusal only report Resources. AWAC and Chalco only report Reserves.
Amrun on track for first bauxite in H1 19

Overall project status: 25% complete

Approved in November 2015

Volume 22.8Mt/a\(^1\) – Capex $1.9bn – IRR above 20%\(^2\)

Advancing to schedule (engineering and construction):
– Site access & infrastructure available end of 2016
– River terminals operational by early 2017
– First wharf equipment and first beneficiation plant modules delivery in 2017

People and partnering

550+ Australian businesses engaged to date
– 398 from Queensland
– 58 from Cape York
– 10 Indigenous

50+ Indigenous staff employed by the project and contractors

---

\(^1\) Refer to the statements supporting these production targets set out on slide 3 of this presentation. \(^2\) IRR based on CRU price assumptions as at 8 December 2015.
## 250+ bauxite improvement initiatives underway

### Volume / commercial

Low cost production creep: 5% production increase in 2017 following 9% in 2016

- East Weipa plant to increase rates by 15% in 2017
- Gove conveyor system to increase rates by 11% in 2017

### Cost / productivity

Truck utilisation increase of 5% in 2017

Labour productivity increase of 11% over 2016 and 2017
### Transforming alumina business

#### Business transformation continues

<table>
<thead>
<tr>
<th>Unit conversion cost ($/t)</th>
<th>2015</th>
<th>2016</th>
<th>Change</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>164</td>
<td>127</td>
<td>-23%</td>
</tr>
</tbody>
</table>

#### Delivering +$150m EBITDA and FCF positive in 2016

- Strong delivery in 2016:
  - 5% volume increase and stable operations
  - $200m operational cost reduction – building momentum into 2017
  - $60m sustaining capital reduction while managing key risks
  - $90m trade working capital reduction

<table>
<thead>
<tr>
<th>Sustaining capital ($m)</th>
<th>2015</th>
<th>2016</th>
<th>Change</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>151</td>
<td>88</td>
<td>-42%</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Trade working capital (average days)</th>
<th>2015</th>
<th>2016</th>
<th>Change</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>31</td>
<td>26</td>
<td>-16%</td>
</tr>
</tbody>
</table>

1. 2016 H2 unit cost annualised
2. TWC days at end of 2015 and estimated position at end of 2016 based on second half run-rate
500+ alumina improvement initiatives underway

**Volume / commercial**

Cash improvement of $130m over 2016 and 2017 through supply chain optimisation:

- $15m per annum from vessel scheduling
- $30m reduction in working capital from restructuring caustic supply

**Cost / productivity**

41% reduction in contractor costs since 2015 through footprint consolidation and rate reductions from re-tendering
Improving our smelting cost position

**Business operating cost curve**
US$ per tonne

![Graph showing business operating cost curve with Rio Tinto average position and 2013 and 2017F data points.](graph)

Rio Tinto’s low-cost, low-carbon power is a sustainable competitive advantage

Since 2013, cost rank improved to low Q1 cost position:

- Cumulative $1bn from cost reduction programme
- Fixed costs reduced by over 35%
- Modernised and expanded Kitimat at 1st cost decile

Creeping at 1%, double the industry average

Divestment of Lochaber and ancillary businesses

---

1 CRU and internal analysis. The business operating cost includes hot metal and cold metal costs net of market and product premiums.
500+ aluminium improvement initiatives underway

**Volume / commercial**

- Volume increase of 4% over next few years through low-capex creep
- Increase in value-added product mix from 54% to 59% in 2017

**Cost / productivity**

- Labour productivity improvement of 12% over 2016 and 2017
- Cash improvement of $40m through external spend reduction (optimisation of warehousing, services and light mobile equipment)
Leading performance through the cycle

Safety is our first priority

Strong focus on productivity and cash generation across all assets

- Further reduce bauxite costs through productivity and creep
- Continue momentum on alumina transformation to further strengthen business
- Continue driving smelting portfolio into low first cost quartile

Moving bauxite business to option ready starting with Amrun in H1 2019
Growth & Innovation

Steve McIntosh, group executive, Growth & Innovation
24 November 2016
Adding value through the asset lifecycle

Technical excellence, assurance and support

Find
Evaluate
Develop
Optimise
Close

Ore bodies to market
Safety is our first priority

**Continual improvement in safety**
AIFR per 200,000 hours worked

Exploration has achieved a four-fold reduction since 2011 (AIFR 0.41)

Oyu Tolgoi is one of the best performing operations (AIFR 0.11)

Projects safety focus driven through CRM implementation at Amrun and OT underground project

Fatality prevention driven through implementation of CRM framework in all of our activities
Find, evaluate and develop assets

**Find**
- Target Testing
- Project of Merit
- Order of Magnitude

**Evaluate**
- Pre-feasibility A
- Pre-feasibility B
- Feasibility
- Execution

**Develop**

Wide exploration remit, successful programme delivers discoveries

Standardised evaluation approach to ensure we “do the right projects”

Effective and efficient central execution for capex > $250m

Evaluation Committee and Investment Committee provide strong governance to ensure we “do the project right”

Technical assurance at each stage gate
Declining industry investment and success

**Significant* mineral discoveries (excluding bulk commodities)**

*Significant defined as >100Koz Au, >10Kt Ni, >100Kt Cu equiv, 250Kt Zn+Pb, >5Moz Ag, >5kt U₃O₈

Source: MinEx Consulting March 2016; Expenditures – SNL Metals & Mining December 2015
Note: SNL expenditure data excludes Uranium prior to 2001.

Expenditures

Incomplete discovery data in recent years
Extensive and successful exploration programme

Exploring across 17 different countries
Expenditure by region, 2013 to 2016 forecast

Exploring for 8 different commodities
Expenditure by commodity, 2016 forecast

OECD+Peru  Non-OECD
3% Iron Ore  15% Nickel & others
5% Diamonds  5% R&D/Technical
61% Copper  5% Uranium
5% Bauxite
Exploration in Rio Tinto is a self-funded business

Over last decade:
- **US$1.7bn** on greenfield exploration
- **US$2.2bn** generated from pre-decision to mine divestments

**Find**

**Unique capability to make new discoveries**

- **1990** Century Lead Zinc
- **1991** Corumba Iron Ore
- **1991** Diavik Diamonds
- **1991** Las Cruces Copper
- **1991** Sepon Copper
- **1999** Murnau Diamonds
- **2000** PRC Potash
- **2002** Resolution Copper
- **2002** Constanera Copper
- **2004** Simandou Iron Ore
- **2004** Eagle Nickel
- **2005** La Granja Copper
- **2005** Cateringina Iron Ore
- **2004** Constancia Copper
- **2004** Simandou Iron Ore
- **2004** La Granja Copper
- **2004** Cateringina Iron Ore
- **2004** Simandou Iron Ore
- **2004** Constancia Copper
- **2004** Eagle Nickel
- **2005** La Granja Copper
- **2005** Cateringina Iron Ore
- **2008** Bunder Diamonds
- **2008** Mutamba Ilmenite
- **2011** Amargsa Bauxite
- **2014** Yandi Braid Iron Ore
- **2015** MTW HV Coal


- Significant discoveries in new commodities
- Founding discoveries for key product groups
- Divested by RT Exploration
- Divested/in process of divestment by the product group

Weipa Bauxite (1959)
Weipa, Queensland

TOM Price (1962)
Pilbara, Western Australia

Argyle Diamonds (1979)
The Kimberley, Western Australia

Resolution Copper (2002)
Arizona, United States

*Mt Thorley Warkworth / Hunter Valley Discovery: Resource estimate and Order of Magnitude study completed*
## Incubating new sources of value for the group

<table>
<thead>
<tr>
<th>Disruptive demand or supply</th>
<th>New sources of value</th>
<th>Organic opportunities - find, evaluate, develop</th>
</tr>
</thead>
<tbody>
<tr>
<td>Identifying commodities of the future</td>
<td>“Small bets”</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Fail fast</td>
<td></td>
</tr>
</tbody>
</table>

### Megatrends

- Rio Tinto capabilities
- Leverage expertise to capture value outside the core portfolio

### Incubator strategy

- Exploration
- Projects
- M&A
- Partnerships

### Fit for purpose organisation

- Inorganic opportunities - access new assets, markets, capabilities
- New businesses - hosted by Energy & Minerals product group
Jadar is a significant lithium-borate resource discovered by Rio Tinto

Jadarite: Li-Na-borosilicate mineral comprising 47.2% B₂O₃ and 7.3% Li₂O

117Mt inferred resources containing 18Mt B₂O₃ and 2.1Mt Li₂O

Potential to support a long-life operation in the first quartile of the operating cost curve for boric acid and lithium

Initial studies suggest if developed, potential to be a top 3 producer

Presently advancing technical studies to complete pre-feasibility by end 2017

---

1 Refer to the statements supporting these resource and reserve estimates set out on Slide 3 of this presentation
Evaluating our projects

- Investment return (IRR>15%)
- Capital intensity reviews
- Stakeholders & Licence to Operate
- Rigorous governance & technical assurance
- Resource & technical risk
- Technical innovation
Track record for delivering high-quality assets

- Central delivery team since 2015
- Mobile talent pool
- Technical & commercial excellence
- Safe, efficient, on time & operationally ready
- Standardised processes
- LEAN in construction
Delivering value through technical excellence

Our core disciplines;
- Geoscience & ore body knowledge
- Mining
- Processing
- Infrastructure
- Asset Management

Strength in mining and processing

Replication across large asset base

Platforms to deliver automation

End to end to fully utilise embedded capability
Driving productivity across the value chain

**Effective Utilisation**
(haul trucks, %)

- **H116 Avg**
- **Target**

**Payload**
(haul trucks, average target %)

- **H116 Avg**
- **Target**

**Mean Time Between Failure**
(haul trucks, hrs)

- **H116 Avg**
- **Target**

**Processing Utilisation**
(average wet & dry, %)

- **Average**
- **Best**

+30%
+50%
+8%
+30%
+30%
Closing our assets like we build our assets

Increasing challenge for the sector

Programme to rehabilitate, remediate and manage long-term liabilities

Technical innovation;
- alternative processes for waste treatment
- water quality remediation
- geotechnical stabilisation

Embedded learnings

Holden Mine rehabilitation, Washington, USA
Winner of the AEMA 2015 Environmental Excellence Award
Conclusions

Safety is our first priority

Adding value through the asset lifecycle

Find, evaluate & develop assets

Incubating new sources of value for the group

Delivering value through technical excellence

Driving productivity across the value chain

Closing assets like we build our assets
Rio Tinto

J-S Jacques

Chief executive

24 November 2016
### Value proposition

<table>
<thead>
<tr>
<th>Long-term strategy</th>
<th>Cash focus</th>
<th>Capital discipline and shareholder returns</th>
<th>Team and performance culture</th>
</tr>
</thead>
<tbody>
<tr>
<td>Tier 1 assets</td>
<td>Value over volume</td>
<td>Strong balance sheet</td>
<td>Safety first</td>
</tr>
<tr>
<td>Delivering &gt;2% CAGR(^1) CuEq growth</td>
<td>$2 billion cost savings over 2016/17</td>
<td>40-60% returns through the cycle</td>
<td>Assets at the heart of our business</td>
</tr>
<tr>
<td>Licence to Operate</td>
<td>$5 billion free cash flow from mine to market productivity by 2021</td>
<td>Portfolio shaping</td>
<td>Commercial and operational excellence</td>
</tr>
</tbody>
</table>

\(^1\) Copper equivalent CAGR, 2015-2025.