

**RioTinto**

# Bold Baatar

CEO, Energy & Minerals

Bloomberg LME Forum Week

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## Slide 8

Resource estimates for the Jadar Project 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.

# Shenzhen 1982 to 2007



# We have a disciplined and consistent strategy

## Superior cash generation



World-class assets  
**Portfolio**



Operating excellence  
**Performance**



Capabilities  
**People & Partners**

## Disciplined capital allocation

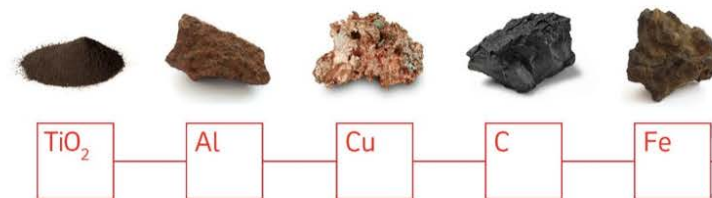
Balance sheet strength

Superior shareholder returns

Compelling growth

# Delivering on our promises in H1 17

- ✓ **Announced total cash returns to shareholder of \$8.2 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**





# World-class portfolio delivering value in H1 17

	Pilbara Iron Ore	Aluminium	Copper & Diamonds	Energy & Minerals
Main Businesses	Pilbara	Weipa, Gove, CBG and Canadian smelters	Oyu Tolgoi, Escondida	Kestel, Hail Creek, Boron, IOC, RBM, QMM
Competitive Advantage	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	Lean, scalable operating model. Cash-focused. Value over volume supported by global customer and market-oriented approach
Margins	<b>69%</b> Pilbara operations FOB EBITDA margin	<b>35%</b> Integrated operations EBITDA margin	<b>44%</b> Operating EBITDA margin	<b>37%</b> Operating EBITDA margin
				

# Metals & Minerals of the future

- Pursuing value accretive opportunities in metals and minerals of the future
- Our Jadar project:
  - 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



Our future together lies in Africa to create a sustainable future

