Uranium: A clear future
Macquarie Australian Conference
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BHP Billiton plans to register the offer and sale of securities it would issue to Rio Tinto plc US shareholders and Rio Tinto plc ADS holders by filing with the SEC a Registration Statement (the “Registration Statement”), which will contain a prospectus (the “Prospectus”), as well as other relevant materials. No such materials have yet been filed. This communication is not a substitute for any Registration Statement or Prospectus that BHP Billiton may file with the SEC.

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Investors and security holders will be able to obtain a free copy of the Registration Statement and the Prospectus as well as other relevant documents filed with the SEC at the SEC’s website (http://www.sec.gov), once such documents are filed with the SEC. Copies of such documents may also be obtained from BHP Billiton without charge, once they are filed with the SEC.
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BHP Billiton Limited is not required to, and does not plan to, prepare and file with the SEC a registration statement in respect of the Rio Tinto Limited Offer. Accordingly, Rio Tinto Limited shareholders should carefully consider the following:

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You should be aware that BHP Billiton may purchase securities of either Rio Tinto plc or Rio Tinto Limited otherwise than under the exchange offer, such as in open market or privately negotiated purchases.

References in this presentation to “$” are to United States dollars unless otherwise specified.
Agenda

- Olympic Dam is a world class and superior resource
- Strong nuclear demand growth prospects
- Nuclear key to address climate change
- Carbon price rewrites nuclear economics
- China impact in the uranium industry
Olympic Dam: A world class resource

Sources: Company Annual Reports and press releases (as at 30-Sep-2007), International Atomic Energy Agency

Note: Witwatersrand figure is BHP Billiton estimate and is approximate only.

(a) Based on reported resource “inventory”.

4th largest copper deposit in the world

The largest uranium deposit in the world

5th largest gold deposit in the world
Olympic Dam: A world class resource

Olympic Dam relative to Rio Tinto’s undeveloped copper projects

Notes:

a) 100% of production shown. Split of bubble 55% Rio Tinto, 45% BHP Billiton.
b) Bubble size reflects Rio Tinto’s current 19.9% exposure to Oyu Tolgoi. Rio Tinto has options to increase its ownership interest to 46.6%.
Agenda

• Olympic Dam is a world class and superior resource

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The world is well on its way to consuming as much energy in the next 25 years as it has consumed throughout modern history.

World Primary Energy Use (million tonnes of oil equivalent)

1900-2006: Total = 400 bntoe

2007-2030: Total = 300 bntoe*

*At a hypothetical world average growth rate of 1% p.a.

Source of data: 1965-2006: BP Statistical Review of World Energy; bntoe = billion tonnes of oil equivalent
1900-1965: Derived from Maddison, UK Select Committee on Economic Affairs.
400 bntoe = 600 billion tonnes of hard coal
Primary energy consumption is strongly correlated to economic development.

China’s annual power output is growing at a rate equivalent to a major European country.

China’s Growing Power Output (in billion kWh)

- **Power output added from previous year**
- **UK’s total power output today**: 400 billion kWh
- **China’s Growing Power Output**:
  - 1999: 1000 billion kWh
  - 2000: 1500 billion kWh
  - 2001: 2000 billion kWh
  - 2002: 2500 billion kWh
  - 2003: 3000 billion kWh
  - 2004: 3500 billion kWh
  - 2005: 4000 billion kWh
  - 2006: 426 billion kWh, totaling 4000 billion kWh
  - 2007: 426 billion kWh, totaling 426 billion kWh
Energy Issues?

- Power generation and distribution
- Energy efficiency and intensity
- Urban environment and transport
- Emissions
Olympic Dam: Exposure to strong forecast nuclear demand growth – especially in the East

Existing operational power plants

Notes:

Olympic Dam: Exposure to strong forecast nuclear demand growth – especially in the East

Existing operational power plants and future development of nuclear power reactors\(^{(a),(b)}\)

- Operational (power plants) – 439 reactors\(^{(c)}\)
- Under construction (reactors) – 33 reactors\(^{(c)}\)
- Planned (reactors) – > 94 reactors\(^{(c)}\)
- Proposed (reactors) – > 222 reactors\(^{(c)}\)

Notes:
\(^{(a)}\) Location of reactors that are planned, under construction, and proposed is by country, but does not necessarily show their exact geographical location in a country.
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• China impact in the uranium industry
Carbon price rewrites nuclear economics

- Nuclear power is competitive with other generation technologies at current prices.

- At carbon cost of $50/ t CO2, the carbon cost of coal fired generation is on par with the capital cost for nuclear.

- These are indicators for the “western” world. Developments in other industries, such as Alumina, have proven that the Chinese are capable of substantially decreasing both lead-time and capital cost on construction, significantly reducing the issue of the substantial capital cost of nuclear power.

Sources: WNA, UIC/AUA, CERA, OECD/IEA, US DOE, UK govt, CRU group
What if China goes nuclear?

Traditional China 2030 electricity demand

2,054 1,532
4%  12%
17  42

Nuclear China electricity demand 2030 – what if

2,054 1,532
GW Installed
33%  26%

% Nuclear

150  88
Ktpa U308

Case A, low gains in energy efficiency

1,281 251
426 262
346 75

Case B, rapid move away from energy intensity

182 262
680 400
251 337
555 676

Coal
Hydro
Gas
Uranium
Other

*Including wind, biomass, oil, etc
**Include power sector and non-power sector thermal coal use (excluding coke)
Source: NDRC power plant project database; Interviews; expert interviews; BHP Billiton; team analysis
Impact of carbon emissions

Global greenhouse gas emissions growth and abatement requirements (GT CO$_2$e$^*$)

Growth 2005-2030
100% = 21 GT

- RoW 41%
- China 41%
- EU 4%
- US 13%

Ave = 7.5GT CO$_2$e emission acceptable from China in 2030 (+36% Higher than 2005 level)

<table>
<thead>
<tr>
<th>Approach</th>
<th>Impact GT</th>
<th>Cost $/tCO$_2$e</th>
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<td>CCS</td>
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<tr>
<td>DSM</td>
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<tr>
<td>China Nuclear</td>
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</tr>
<tr>
<td>Other**</td>
<td>1.5</td>
<td>-24</td>
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</tbody>
</table>

GT CO$_2$

- 2005: 38.5 GT
- 2030: 59.3 GT
- China: 5.5 GT
- US: 6.7 GT
- EU: 4.8 GT
- RoW: 21.5 GT
- Australia: 0.5 GT

Abatement requirement

- 2030: 31.3 GT
- 2030 including abatement: 45.3 GT

Approach Impact GT Cost
CCS 2.7 15
DSM 2.4 -12
China Nuclear 0.8 - 4.5 3
Other** 1.5 -24

* Total emissions, including greenhouse gas emissions from non-power sectors
** Total global abatement requirement based on need to minimize global warming to 2-3°Celsius

Source: WRI; IEA; Team analysis
China has been predictable in re-writing capital intensity and delivery

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<tr>
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<th>China</th>
<th>Western Benchmark</th>
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<tr>
<td>Alumina refinery</td>
<td>10x 300mw power stations and 3500kt/yr alumina refinery – construction time 10 months</td>
<td>40 Months +</td>
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<tr>
<td>Shangdong province</td>
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<td>East Hope Alumina</td>
<td>800kt/yr alumina refinery – construction time 10 months</td>
<td>40 Months +</td>
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<tr>
<td>Jinbei Alumina</td>
<td>400kt/yr alumina refinery – construction time 14 months</td>
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<tr>
<td>Kaiman alumina</td>
<td>400kt/yr alumina refinery – construction time 10 months</td>
<td>40 Months +</td>
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<td>Copper smelters</td>
<td>40 Months, Greenfields US$1000-1300/t installed capacity Detailed engineering through commissioning</td>
<td>60-66 Months US$3000-US$5000/t installed capacity</td>
</tr>
</tbody>
</table>
Greenfields +3Mtpa +2Mtpa
Mining

Olympic Dam well positioned to meet energy demand

Concentrating &
Hydrometallurgy

Smelting

- Expand open pit, add Greenfield concentrator and hydrometallurgy circuits and expand smelter capacity
- Further expansion of open pit, build new concentrator and hydrometallurgy circuit. Sell excess concentrate

Stages

<table>
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<tr>
<th>Stages</th>
<th>Output Cu (ktpa)</th>
<th>Output U₃O₈ (ktpa)</th>
<th>Output Au (kozpa)</th>
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<td>5</td>
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Notes: Unless specified all capacities are in tonnes of ore. Actual timing of Underground phase out is not yet determined.
Mining investment cycle: Escondida case study

Low price cycles

High price cycles

Nominal copper price ($/lb)

Discovery

Grassroots Exploration

Resource Definition

Feasibility & Financing

Construction

Operation and additional growth options

Escondida Production tpa Cu


0 200,000 400,000 600,000 800,000 1,000,000 1,200,000 1,400,000 1,600,000

0.60 1.10 1.60 2.10 2.60 3.10 3.60
The world at night