



The Resources Sector

Australian Shareholders Association

5 March 2008

Mr Don Argus AO Chairman, BHP Billiton



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Disclaimer (continued)

Information Relating to the US Offer for Rio Tinto plc

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 ("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.

U.S. INVESTORS AND U.S. HOLDERS OF RIO TINTO PLC SECURITIES AND ALL HOLDERS OF RIO TINTO PLC ADSs ARE URGED TO READ ANY REGISTRATION STATEMENT, PROSPECTUS AND ANY OTHER DOCUMENTS MADE AVAILABLE TO THEM AND/OR FILED WITH THE SEC REGARDING THE POTENTIAL TRANSACTION, AS WELL AS ANY AMENDMENTS AND SUPPLEMENTS TO THOSE DOCUMENTS, WHEN THEY BECOME AVAILABLE BECAUSE THEY WILL CONTAIN IMPORTANT INFORMATION.

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.

Information for US Holders of Rio Tinto Ltd Shares

BHP Billiton Ltd is not required to, and does not plan to, prepare and file with the SEC a registration statement in respect of the Rio Tinto Ltd Offer. Accordingly, Rio Tinto Ltd shareholders should carefully consider the following:

The Rio Tinto Ltd Offer will be an exchange offer made for the securities of a foreign company. Such offer is subject to disclosure requirements of a foreign country that are different from those of the United States. Financial statements included in the document will be prepared in accordance with foreign accounting standards that may not be comparable to the financial statements of United States companies.

Information Relating to the US Offer for Rio Tinto plc and the Rio Tinto Ltd Offer for Rio Tinto shareholders located in the US

It may be difficult for you to enforce your rights and any claim you may have arising under the U.S. federal securities laws, since the issuers are located in a foreign country, and some or all of their officers and directors may be residents of foreign countries. You may not be able to sue a foreign company or its officers or directors in a foreign court for violations of the U.S. securities laws. It may be difficult to compel a foreign company and its affiliates to subject themselves to a U.S. court's judgement.

You should be aware that BHP Billiton may purchase securities of either Rio Tinto plc or Rio Tinto Ltd 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.

Overview of today's presentation

- The significance of the resources sector to Australia
- Demand for resources is in a period of strong growth
- BHP Billiton is extremely well positioned to benefit from this growth
- BHP Billiton's offer for Rio Tinto – unlocking value



The significance of the resources sector to Australia



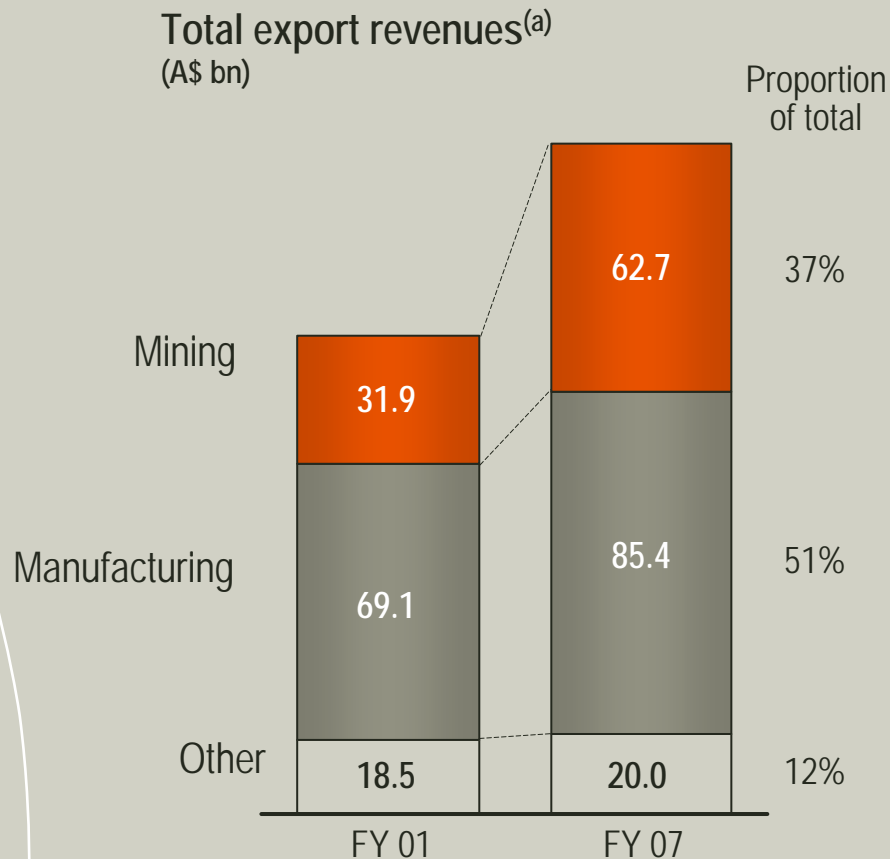
The mining sector is a major contributor to Australia's economic wellbeing – GDP and taxes paid

- Mining and its related economic activities contributed in excess of A\$166 billion to Australia's GDP in FY2007^(a)
 -17% of Australia's GDP
 -and 38% of Australia's GDP growth
- Resource companies paid A\$6.6 billion in company tax in FY2006^(b)
 -13% of total government company tax revenue

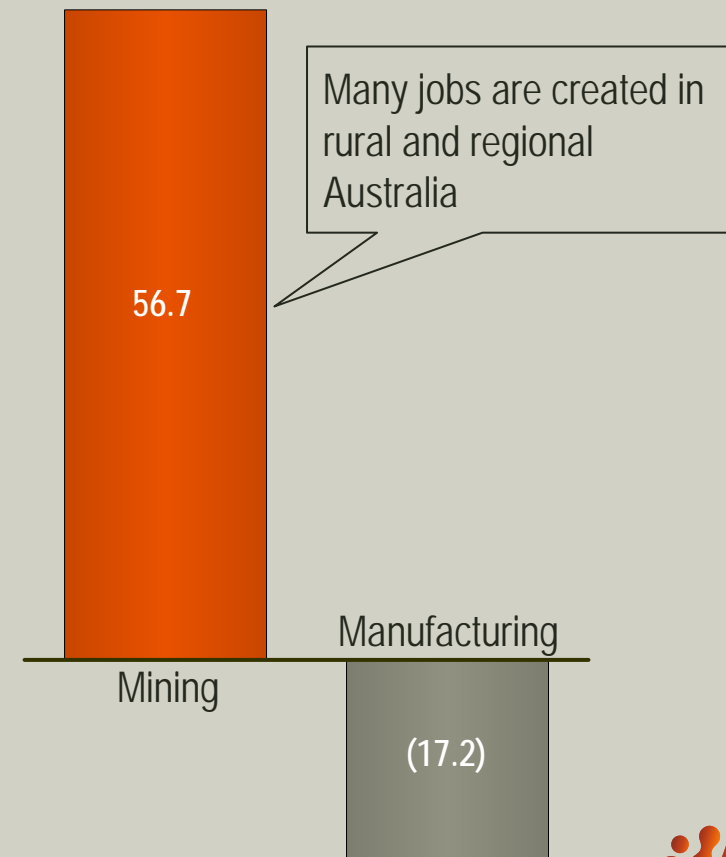
Notes:

- a) Source: Australian Bureau of Statistics ('ABS').
b) Source: Minerals Council Industry Survey 2007, APPEA Key Statistics 2007 and Australian Government budget papers.

The mining sector is a major contributor to Australia's economic wellbeing – exports and jobs created



Jobs created, 2001–07^(b)
(‘000s)



Notes:

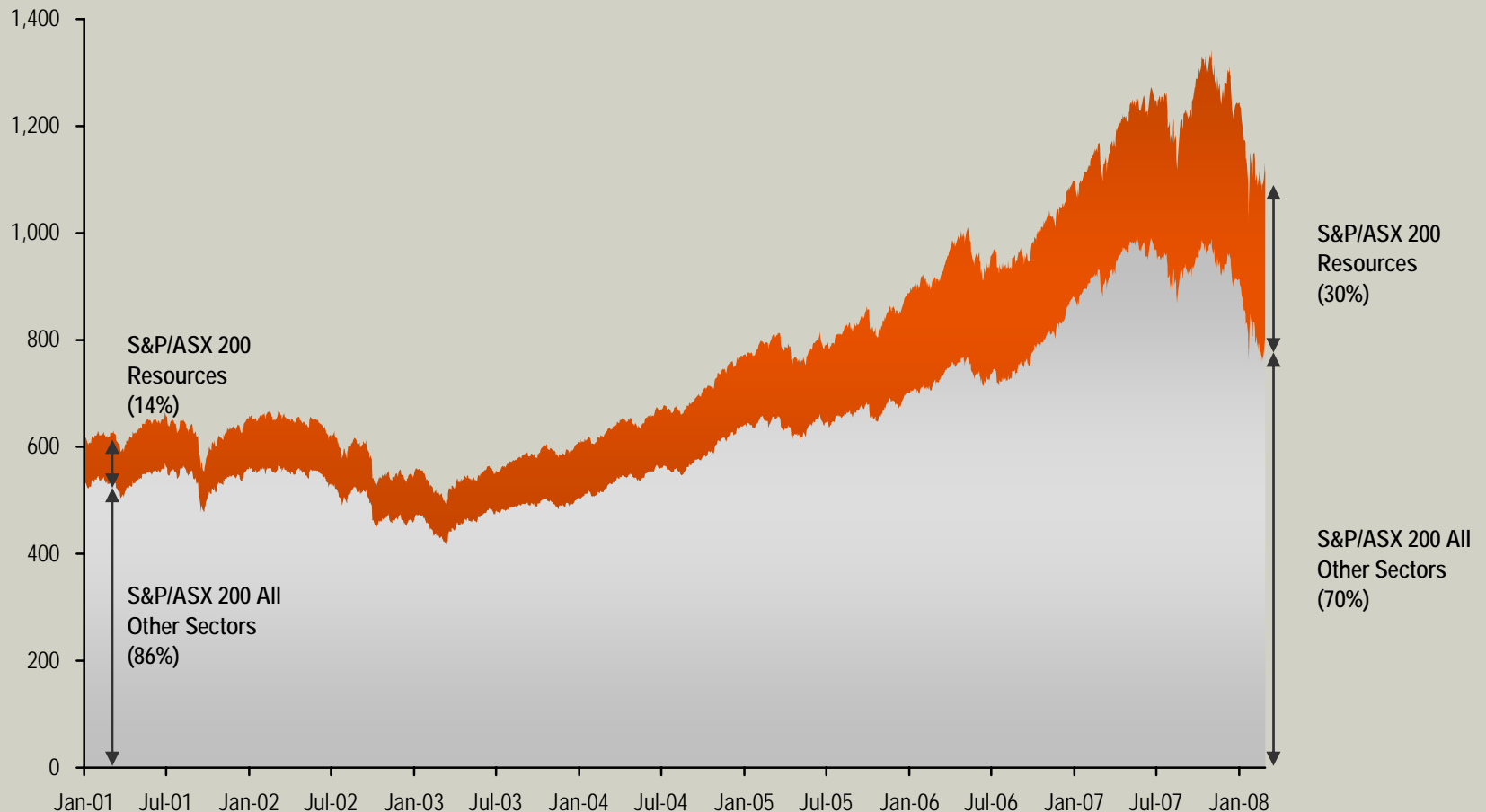
a) Source: Australian Bureau of Statistics (‘ABS’).

b) Source: Australian Bureau of Statistics (‘ABS’), represents the period May 2001 to May 2007.

The resource sector now represents ~30% of Australia's primary market index...

ASX 200: Resources vs all other sectors

(Aggregate market capitalisation, A\$bn)



Source: IRESS, data as at 28-Feb-2008.

...and has delivered strong returns for investors

ASX 200 Resources accumulation index

(Index: 1-Jan-2001 = 100)



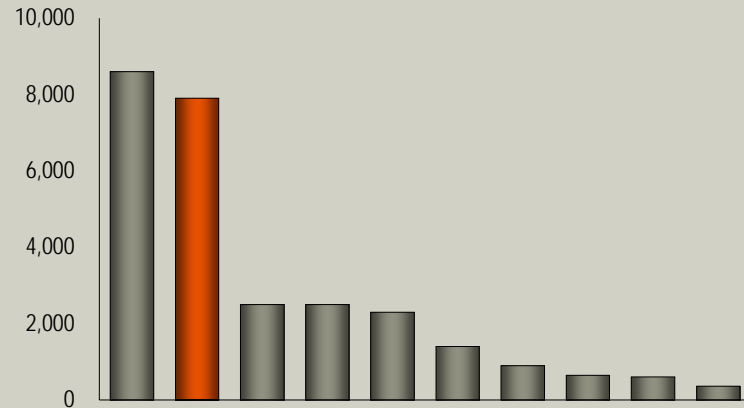
A\$10,000 invested in the ASX 200 Resources Accumulation Index in January 2001 would now be worth A\$51,957, a 26% compound annual growth rate

Source: IRESS, data as at 29-Feb-2008.

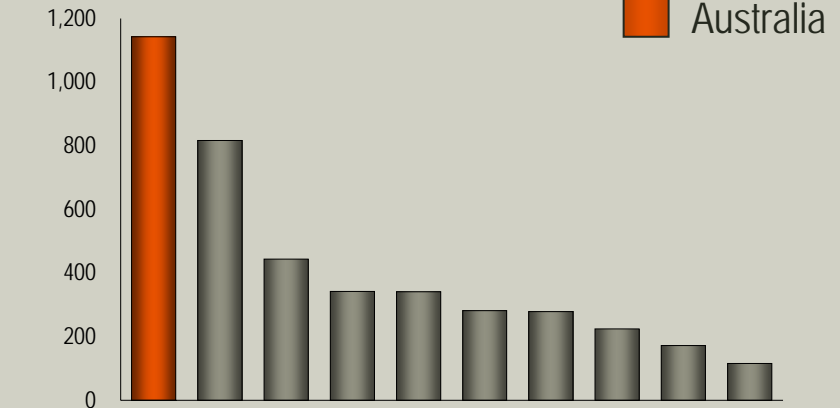
Australia is home to some of the world's largest resource basins

National resource reserves* for top 10 countries per mineral

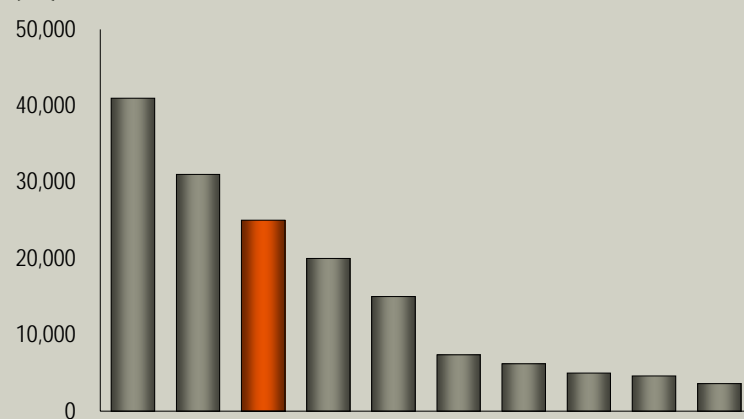
Bauxite (mt)



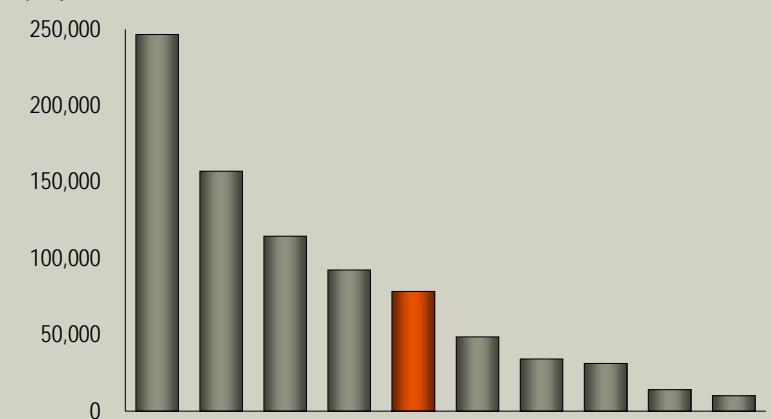
Uranium (kt)



Iron ore (Fe) (mt)



Metallurgical and Thermal Coal (mt)



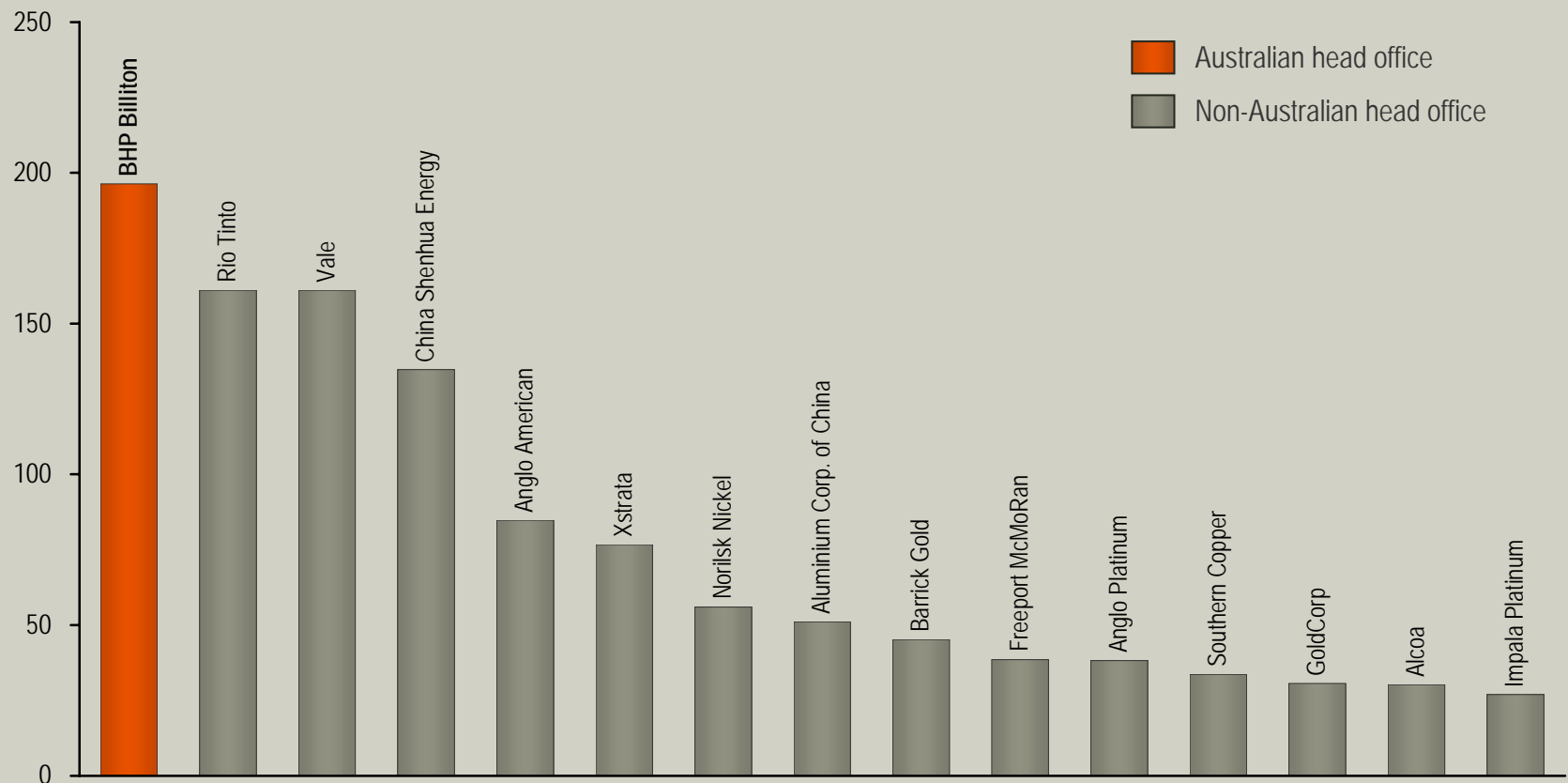
Source: USGS (Mineral Commodity Surveys – Jan 2007), BP Statistics Report 2007 and Uranium 2005: Resources, Production and Demand.

* Reserve base for bauxite, iron content reserve base for iron ore, recoverable reserve for uranium, and proven reserves for anthracite, bituminous, sub-bituminous and lignite coal types.

But is home to only one major mining company

Top 15 metals and mining companies

(Market capitalisation as at 29-Feb-2008, US\$bn)



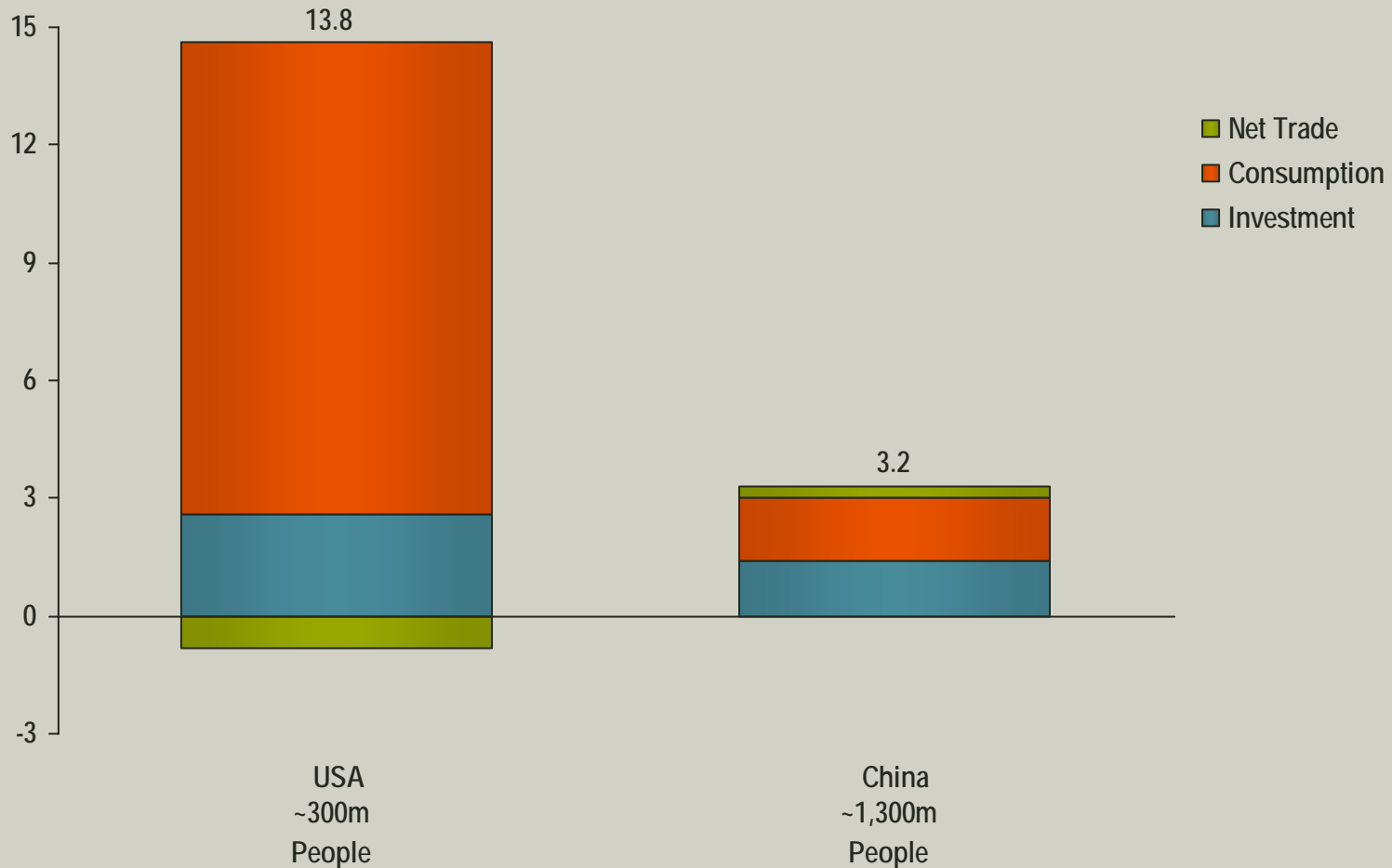
Sources: Bloomberg, Datastream.

Demand for resources is in a period of strong growth



The US economy is over four times larger than that of China...

Structure of 2007 Nominal GDP
(US\$ trillion)

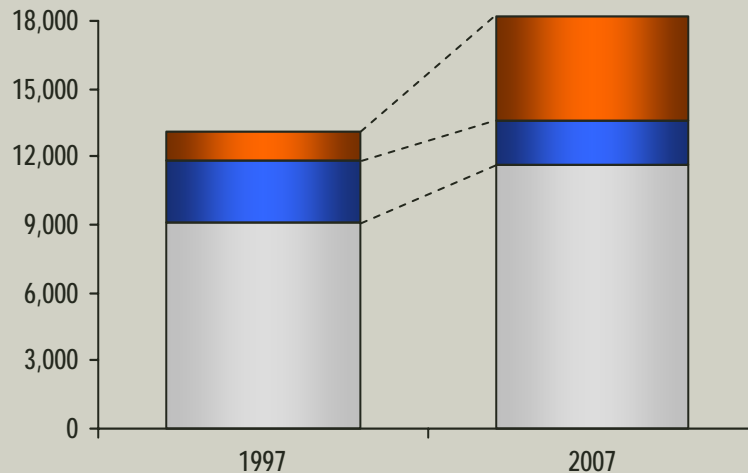


Source: Global Insight (February 2008) and CEIC Data Co. Ltd (February 2008).

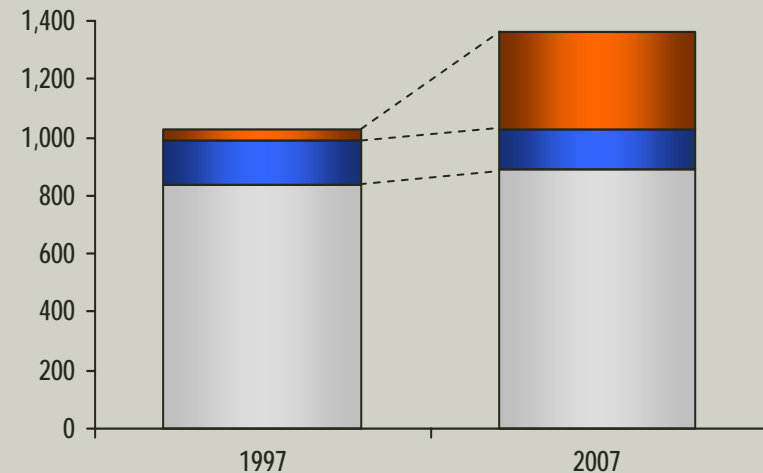
Notes: Investment also includes net change in inventories and China's GDP converted to US\$ based on an average exchange rate for the year of USD:CNY 7.57.

...but it is China industrialisation that is driving global metals consumption growth

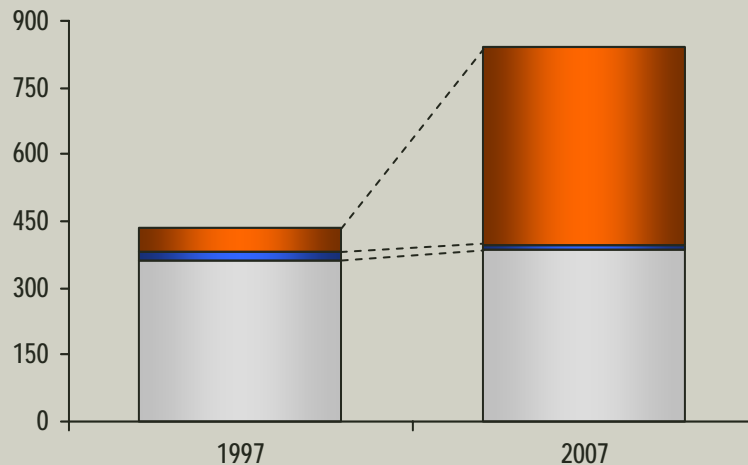
Copper consumption (kt)



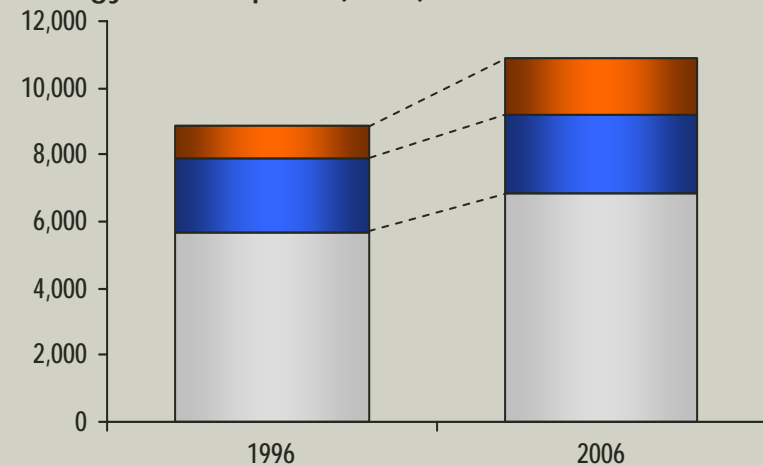
Nickel consumption (kt)



Seaborne iron ore (mt)



Energy consumption (mtoe)



China

USA

Other

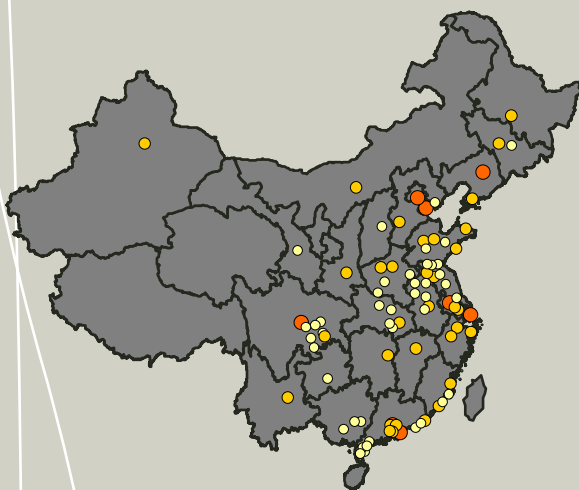
Notes: Seaborne iron ore demand based on import statistics - CRU data for 2007, IISI data for 1997. Energy consumption is all uses of coal, gas, oil and nuclear, expressed as millions tonnes of oil equivalent, 2007 data not yet available.
Source: CRU, Brook Hunt, BP Statistical Review of World Energy (2007), IISI.

...and industrialisation and urbanisation in China appears to have a long way to go

China's tiered city structure:

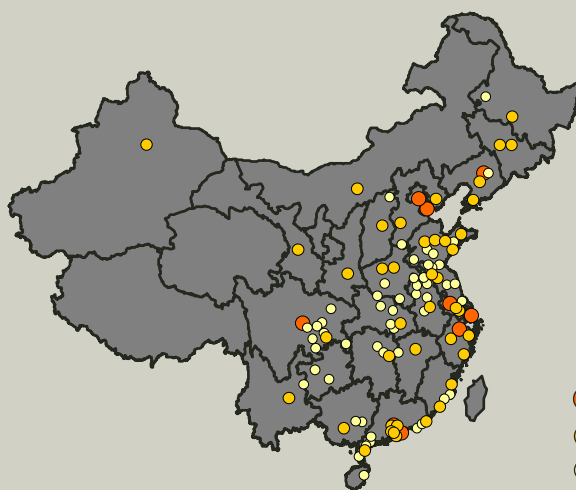
2005

84 tier 1-3 cities^(a)



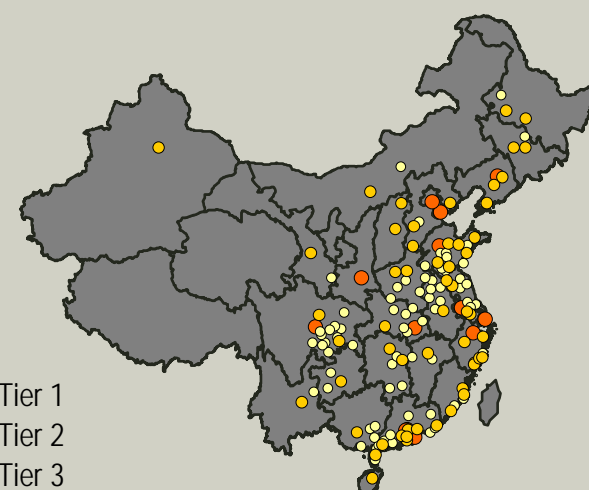
2010

106 tier 1-3 cities^(b)



2020

143 tier 1-3 cities^(c)



● Tier 1
● Tier 2
● Tier 3

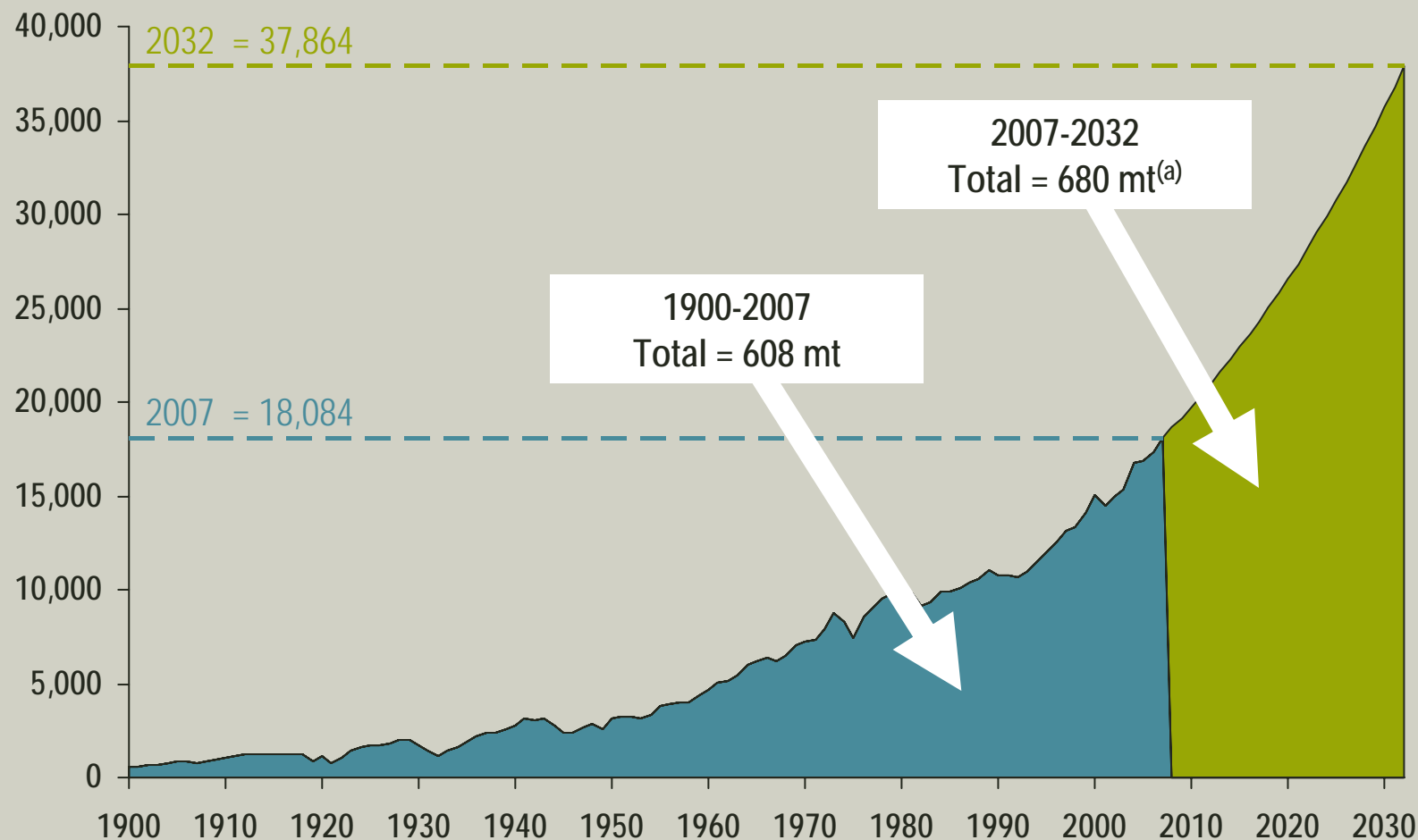
Source: Global Insight; National Bureau of Statistics of China – China Statistical Yearbook; McKinsey & Company, 2006.

- a) Tier 1 city defined as registered population >4.6 m and nominal GDP/capita >US\$3,200, tier 2 city defined as either registered population >4.6 m and nominal GDP/capita at least US\$1,600 or nominal GDP/capita >US\$3,200 and registered population at least 1.5m, tier 3 city defined as registered population 1.5-4.6 m or nominal GDP/capita US\$1,600-US\$3,200.
- b) Tier 1 city defined as registered population >4.8 m and nominal GDP/capita >US\$3,600, tier 2 city defined as either registered population >4.8 m and nominal GDP/capita at least US\$1,800 or GDP/capita >US\$3,600 and registered population at least 1.6m, tier 3 city defined as registered population 1.6-4.8 m or nominal GDP/capita US\$1,800-US\$3,600.
- c) Tier 1 city defined as registered population >5.0 m and nominal GDP/capita >US\$4,800, tier 2 city defined as either registered population >5.0 m and nominal GDP/capita at least US\$2,400 or GDP/capita >US\$4,800 and registered population at least 1.7m, tier 3 city defined as registered population 1.7-5.0 m or nominal GDP/capita US\$2,400-US\$4,800

To satisfy demand the world may need to mine as much copper over the next 25 years as throughout history

World copper demand

('000 tonnes refined copper)



Source of data: CRU Copper Quarterly (January 2008): CRU archive data.

a) Future copper consumption based on a hypothetical world average growth rate of 3% p.a., based on a projection of similar growth patterns in world demand to the past 20 years.

BHP Billiton is extremely well positioned to benefit from this growth



BHP Billiton's business is truly global in scope and scale...

Aluminium
Alumina, Aluminium

Energy Coal
Thermal Coal

Metallurgical Coal
Coking Coal, Thermal Coal

Base Metals
Copper, Lead, Silver, Uranium, Zinc

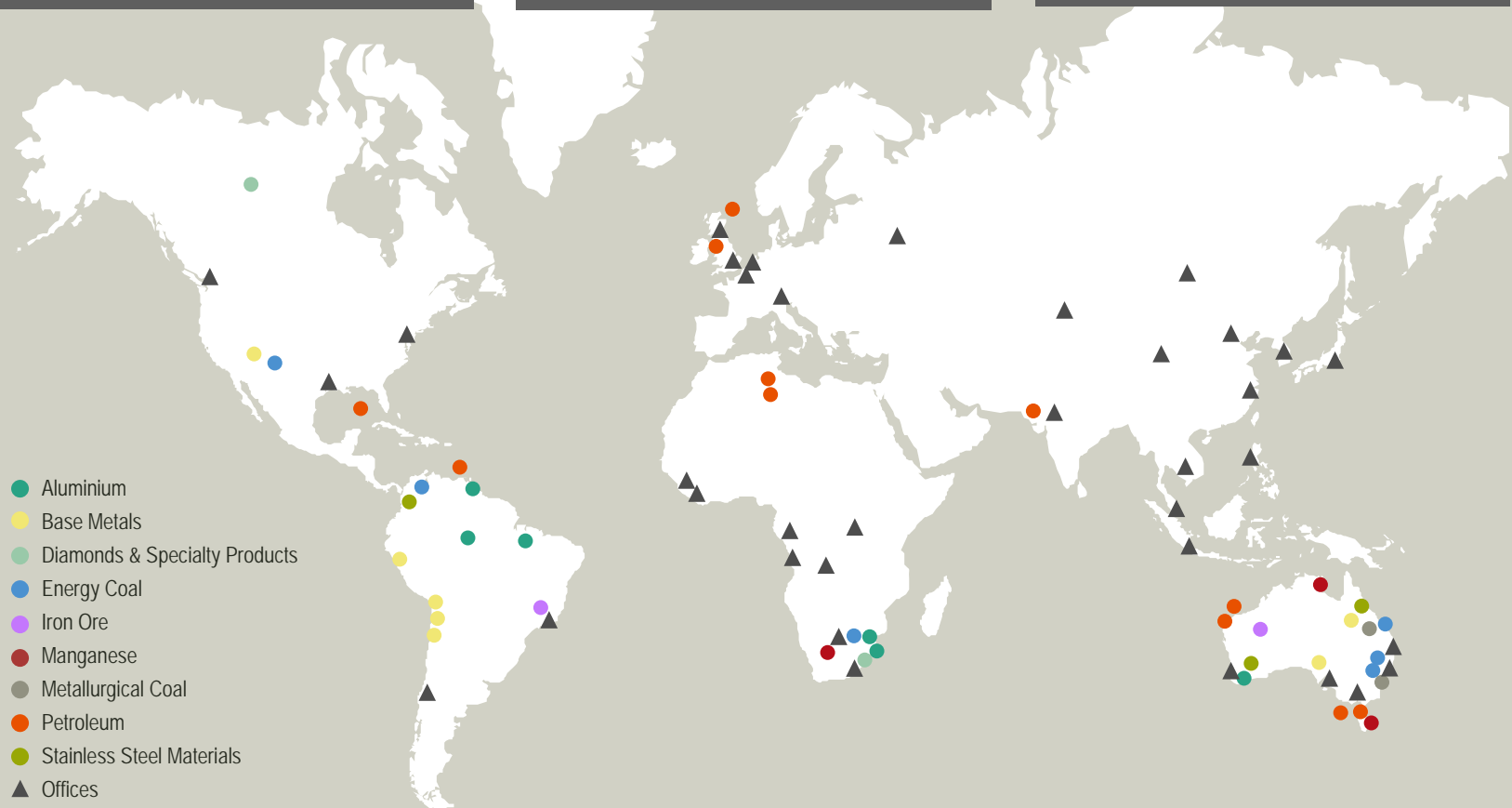
Iron Ore
Iron Ore

Petroleum
Oil, Gas, NGL

Diamonds & Specialty Products
Diamonds, Titanium Minerals

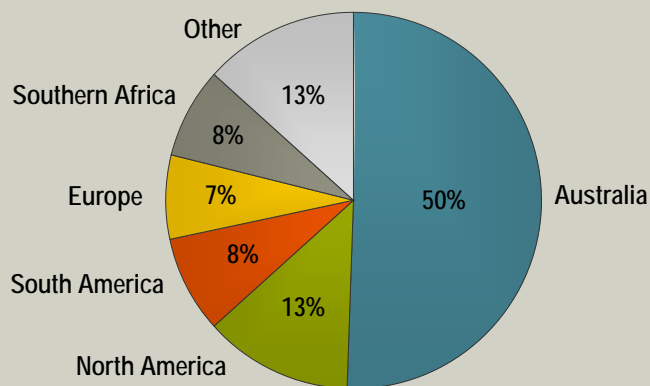
Manganese
Manganese Ore, Manganese Alloy

Stainless Steel Materials
Nickel

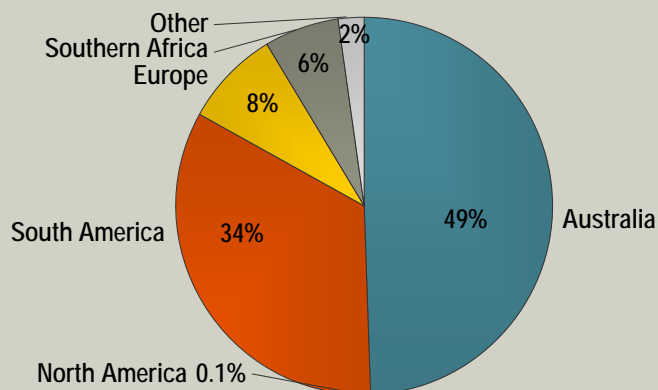


...but Australian operations are the foundation

BHP Billiton assets by location
(US\$m, as at 30-Jun-2007)



BHP Billiton profit before interest and taxation by asset location
(US\$m, FY2007)



- 50% of assets in Australia
- 49% of profit before interest and taxation, generated by Australian based assets
- Over 60% of issued capital relates to the Australian side of the DLC^(a)
- Over 495,000 Australian retail BHP Billiton Ltd shareholders who hold A\$36bn worth of shares^(b)

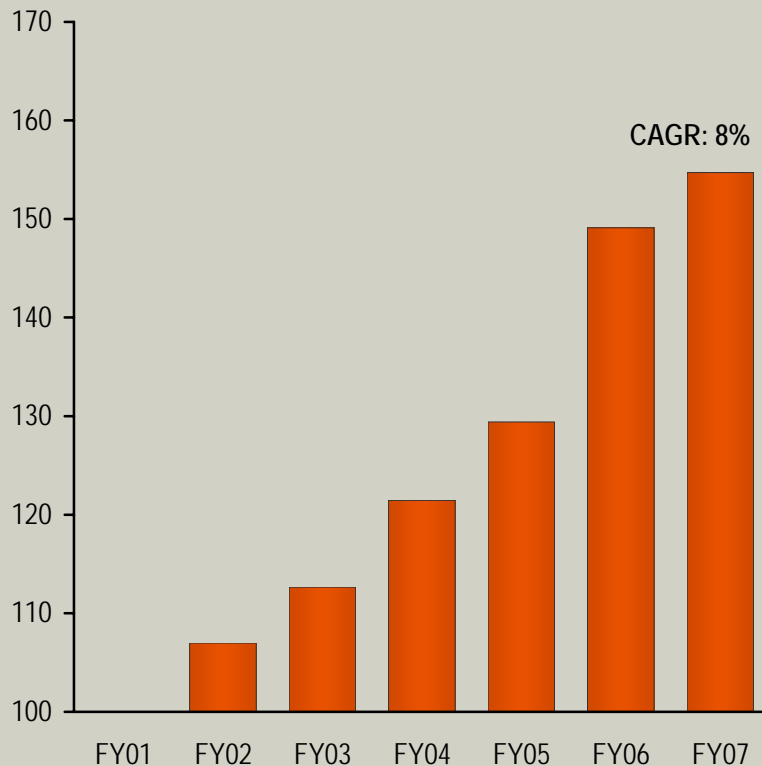
Source: BHP Billiton.

a) As at 29-Feb-2009.

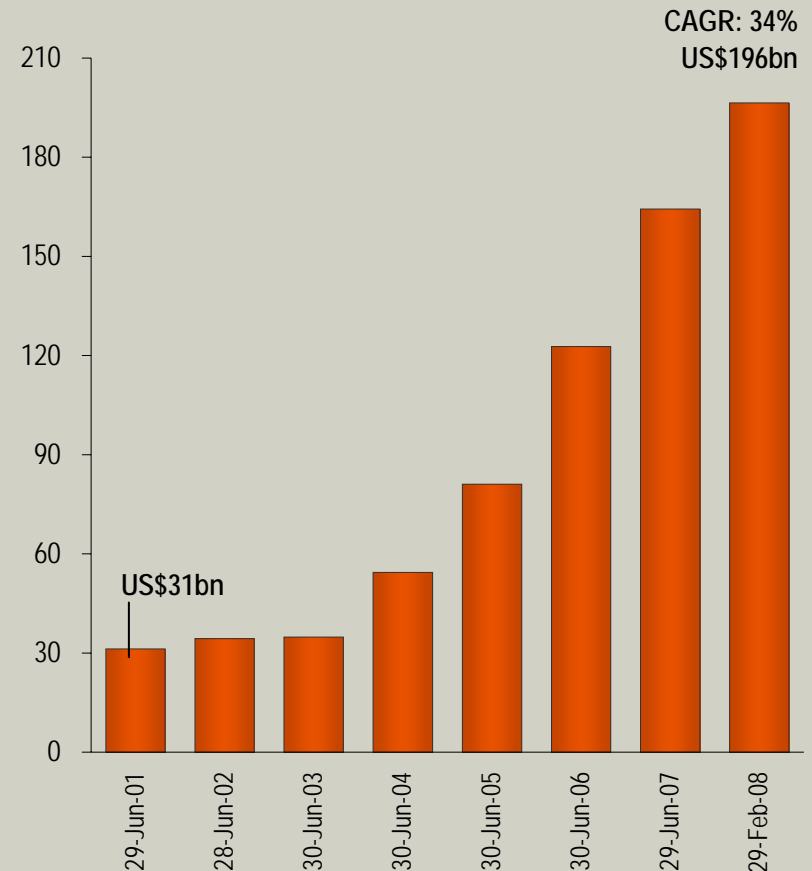
b) Represents all Australian investors with less than 25,000 shares as at 28-Feb-2008.

It has achieved substantial growth since the DLC merger...

BHP Billiton production growth^(a)
(Index: FY2001 production = 100)



BHP Billiton market capitalisation^(b)
(US\$bn)

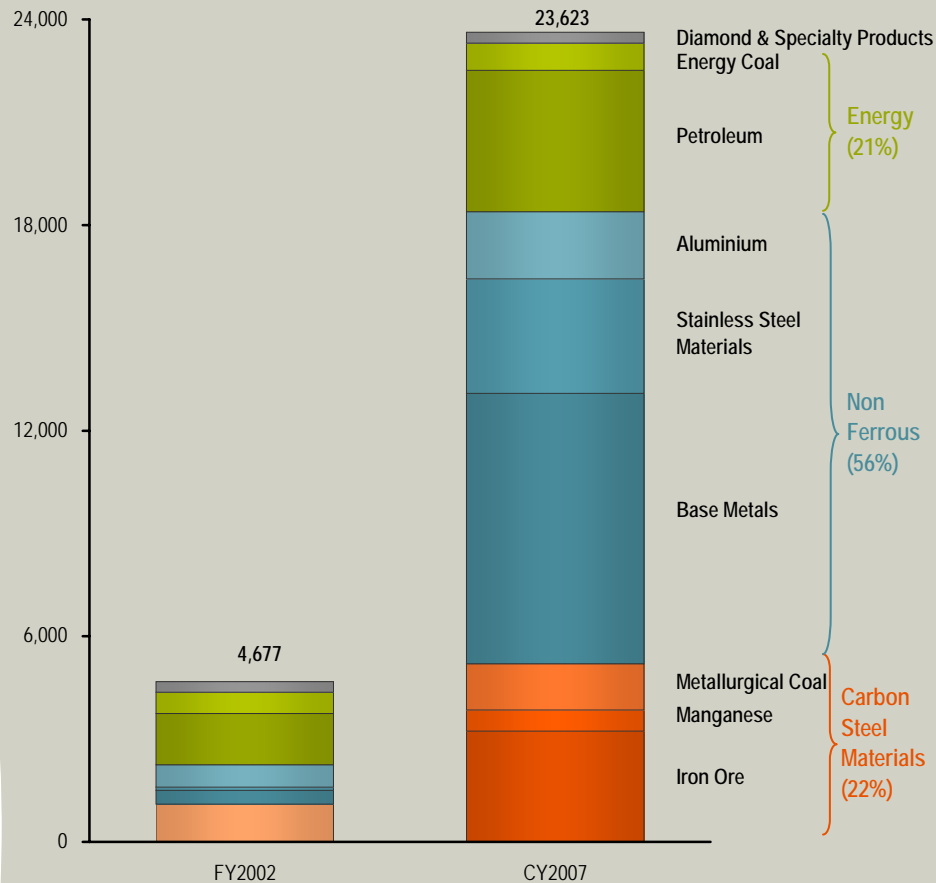


Notes:

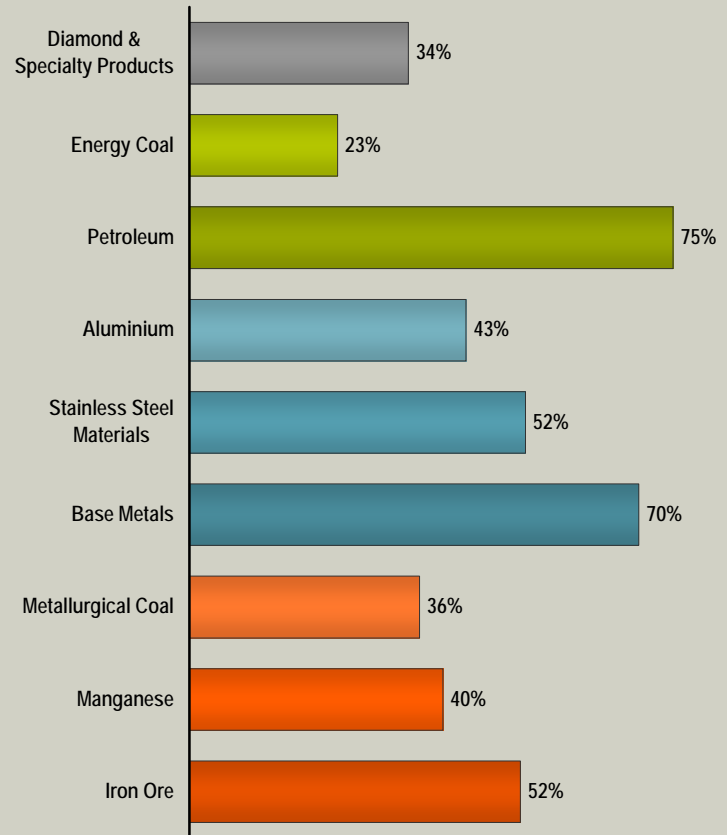
- a) Source: Production shown for the 12 months ending 30-June. Converted to copper equivalent units using BHP Billiton FY2007 average realised prices and BHP Billiton estimates. Excludes all production from sold or ceased operations. Production growth does not include production for the six month period ending 31-Dec-2007.
- b) Source: Datastream and financial reports and company filings of BHP Billiton. Market capitalisation based on shares outstanding and share price as at the dates shown. In addition, over the period from 29-Jun-2001 to 31-Oct-2007, BHP Billiton undertook share buybacks of US\$11.4B.

Created a unique diversified portfolio balanced across high margin commodities...

Underlying EBITDA
(12 months, US\$bn)



Underlying EBITDA Margin^(a)
(CY2007, 12 months)

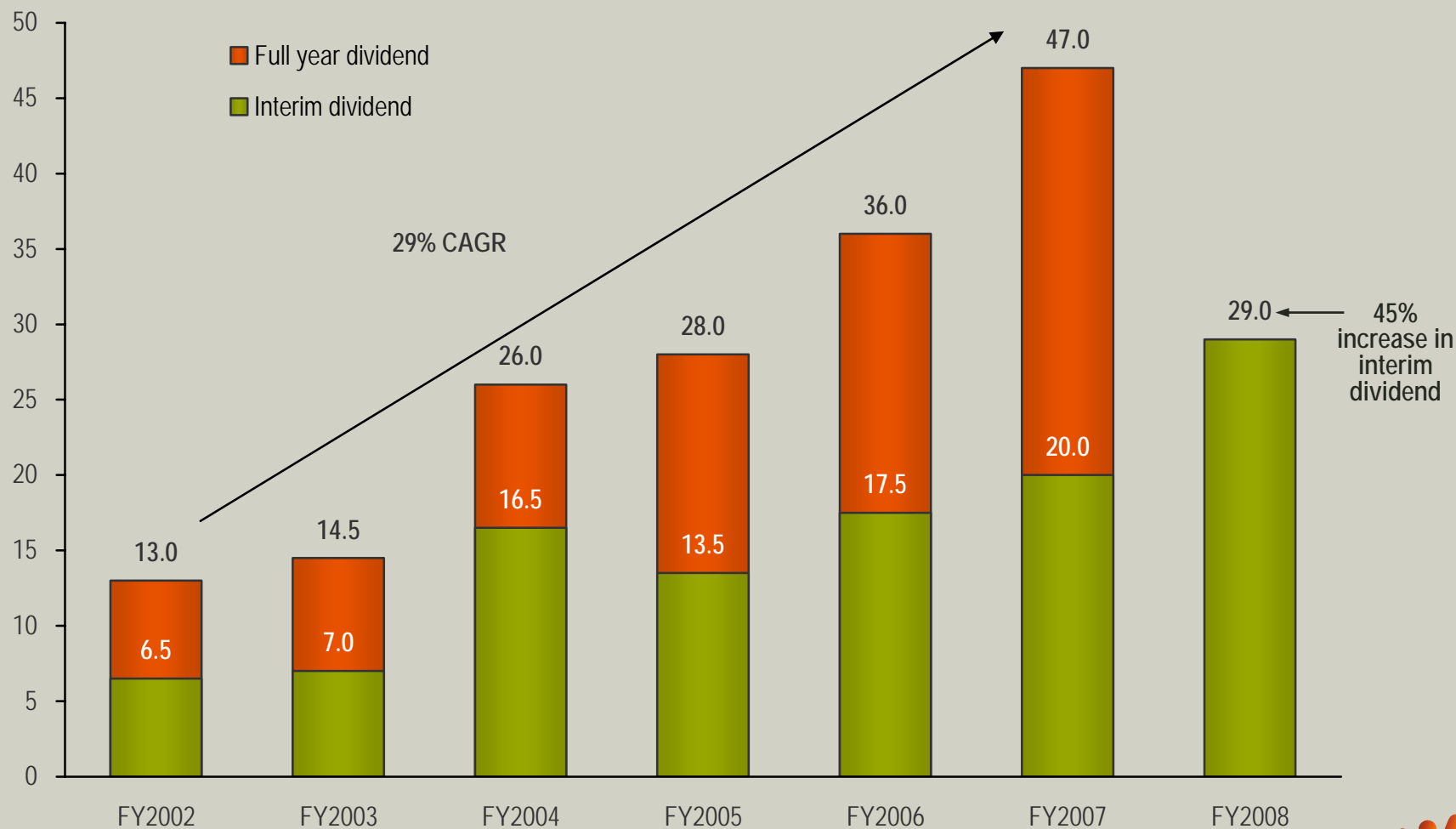


Note: Historical financial information has been restated for comparative purposes per note 1 of BHP Billiton's half-year financial report for the half-year ended 31-Dec-2007. CY2007 represents the 12 months ending 31-Dec-2007.

a) EBITDA margin excludes third party sales.

Delivered strong dividend growth...

Ordinary dividends per share (US cents per share)

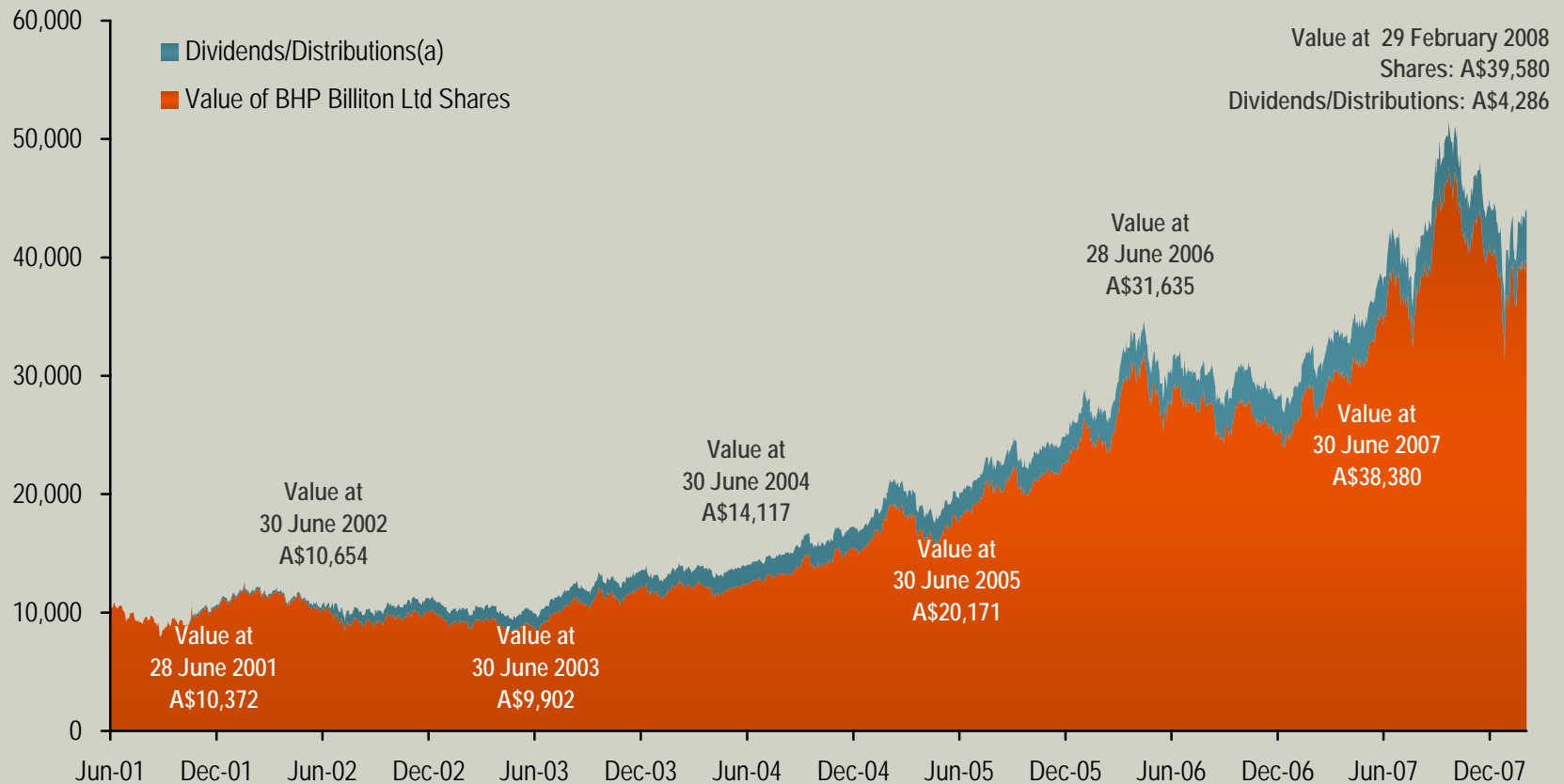


Note: Two interim dividends were paid in FY2004

...and created considerable wealth for global investors

A holder of 1,000 BHP Billiton Ltd shares on 28 June 2001 would have seen the value of their total holding increase by 323%

BHP Billiton Ltd^(a) (A\$)

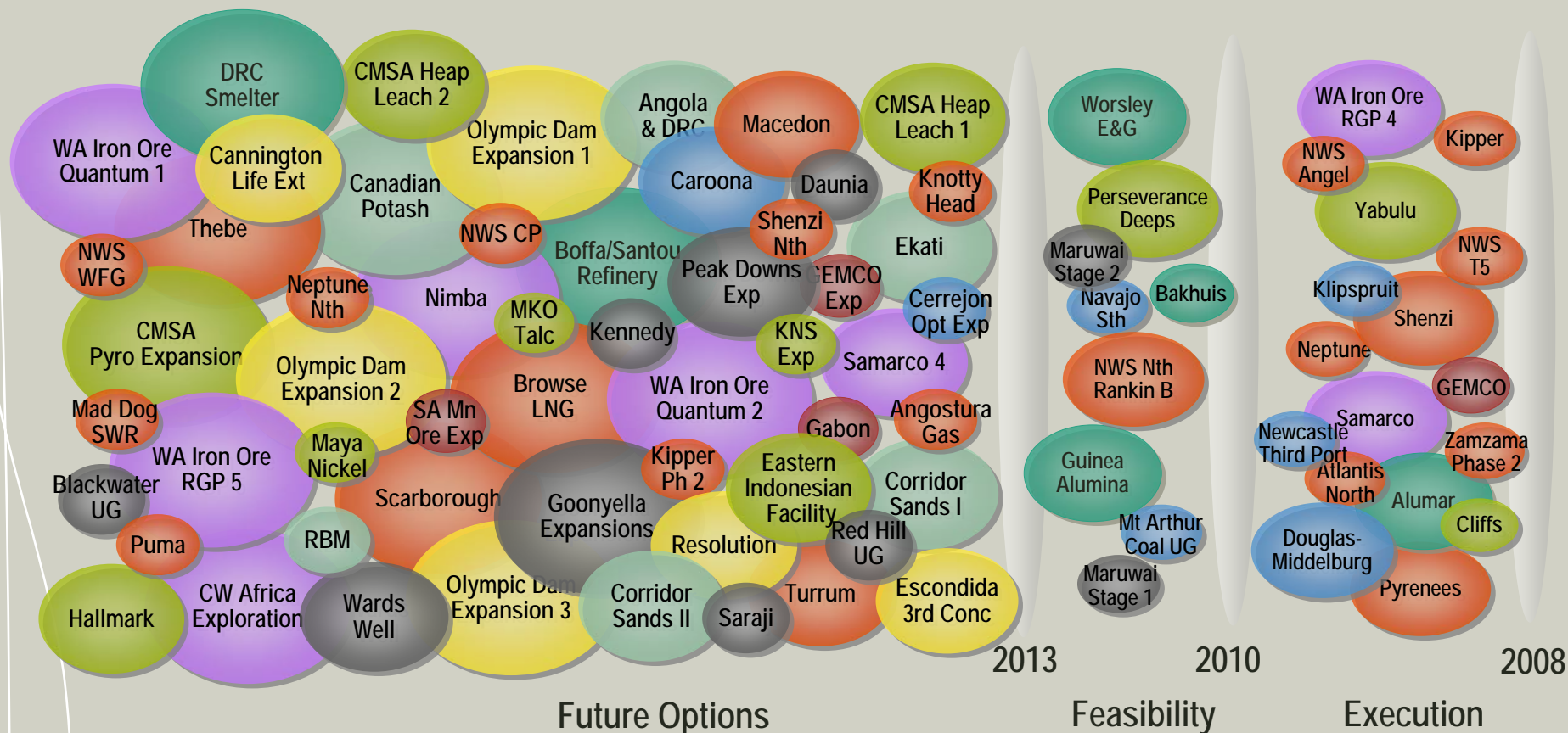


Source: Bloomberg, Iress.

a) Dividends/distributions assumes that the dividends are received in cash and not reinvested in BHP Billiton. Dividends grossed up for franking. Includes the value of shares distributed in Bluescope Steel to BHP Billiton Ltd shareholders.



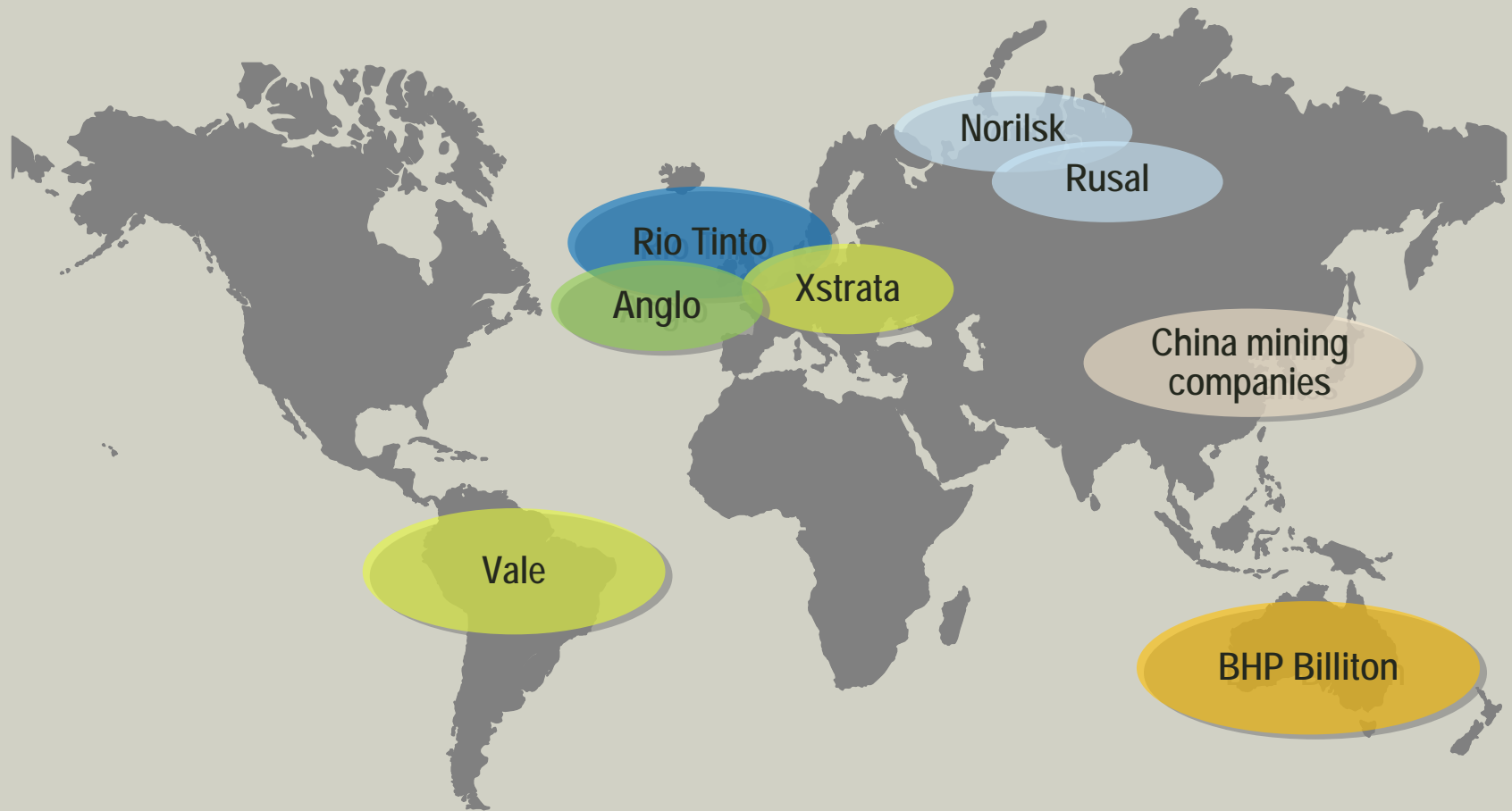
The future looks bright for BHP Billiton...



As at 29 February 2008
Proposed capital expenditure



...in a changing global corporate framework



Source: Location of bubbles are indicative only of each company's head office location.

BHP Billiton's offer for Rio Tinto – unlocking value

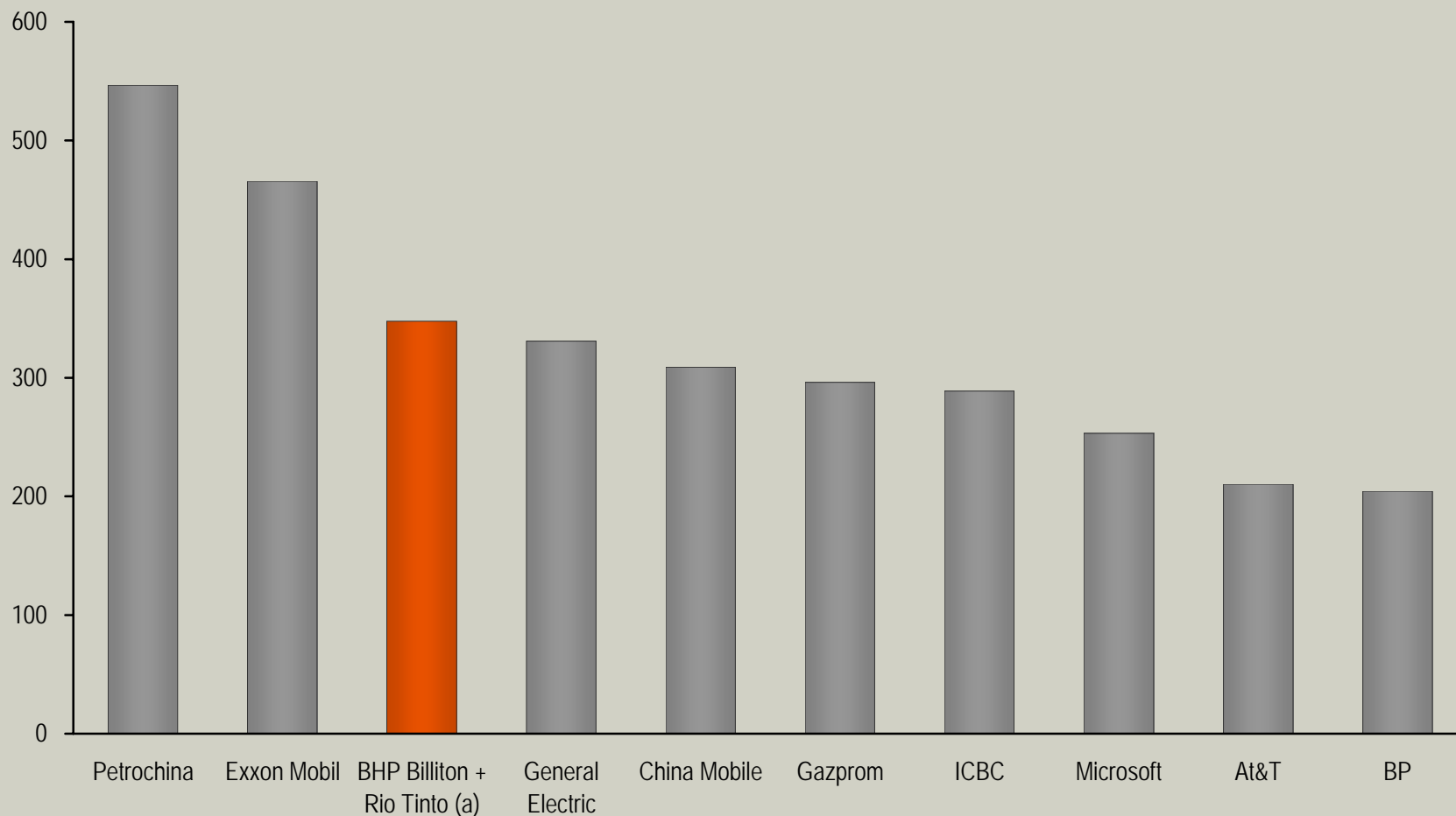


Unlocking value: Why a combination with Rio Tinto?

- 1 Combined entity will have a unique portfolio of tier 1 assets
 - Highly complementary large-scale, low-cost, long-life assets
 - Strengthened asset portfolio and superior future growth options
- 2 Unparalleled exposure to overlapping mineral basin positions and infrastructure
 - Optimisation of production efficiencies
 - Delivery of more volume, faster, to customers
- 3 Enhanced earnings through quantified synergies and benefits of combination
- 4 Broader stakeholders will benefit (customers, communities, employees)
- 5 A natural fit – common strategies, heritage, culture and values

Creating a natural resources "super-major"

Top 10 companies in the world by market capitalisation
(As at 29-Feb-2008, US\$bn)



Source: Datastream.

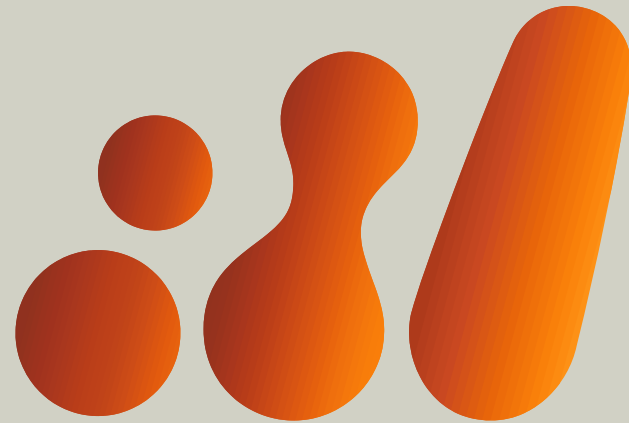
a) Based on BHP Billiton Ltd and BHP Billiton Plc closing share prices on 29-Feb-2008 and assuming BHP Billiton acquires 100% of the shares in Rio Tinto Ltd and Rio Tinto plc based on its current offer, before any share buyback.

In summary

- A strong resources sector is fundamental to Australia's economic prosperity
- The global resources industry is undergoing extraordinary change
- Standalone, BHP Billiton has a bright future
- The offer for Rio Tinto has the potential to enhance this by creating a company that is unique in character, capable of delivering superior returns for its shareholders and an Australian champion on the global stage
- The terms of the offer reflect a good deal for both companies' shareholders
- The process has a long time to run – an offer document is not expected to be posted to shareholders until late 2008 following BHP Billiton completing the necessary anti-trust and other regulatory processes
- You do not have to decide anything now, but I encourage you to listen to the arguments and think about them so that you are well prepared when the time comes to make a decision

Legitimate questions

- Assuming a satisfactory regulatory outcome, Rio Tinto shareholders will be faced with 2 choices:
 - Accept BHP Billiton's offer, which is priced at a 45% premium to the pre-approach trading valuations of the two companies; or
 - Reject BHP Billiton's offer
- Rio Tinto shareholders will have 2 legitimate questions to ask of their Board
 - On what grounds can you justify rejecting the 45% premium value uplift implied by BHP Billiton's offer?
 - How does the Rio Tinto Board propose to deliver to its shareholders the value of the implied premium and the pro-rata share of the combination benefits that shareholders may forego by the Rio Tinto Board refusing to engage with BHP Billiton?
- Remember this is about relative value not absolute value.



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