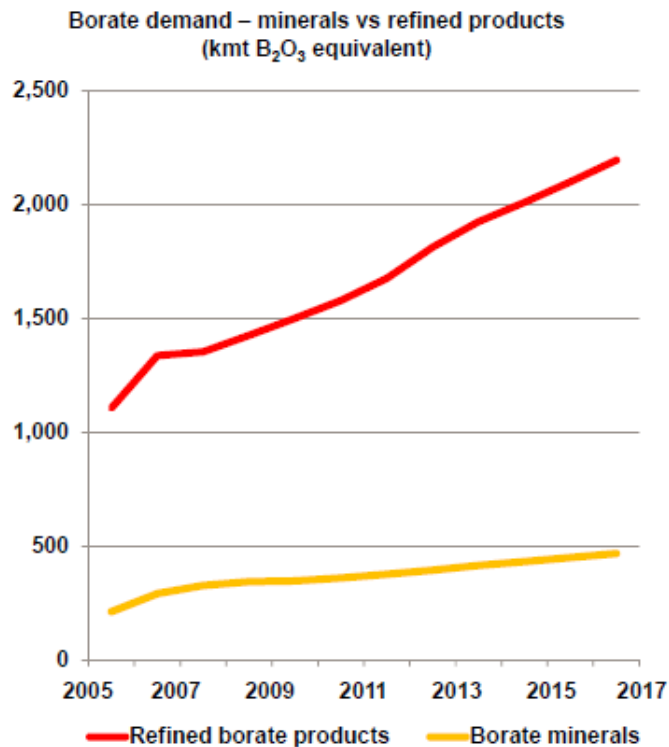


Rio Tinto presentatie

maandag 17 december 2012
14:51

Demand for refined borates growing at a faster rate



Source: Rio Tinto Minerals

- Demand growth for refined products versus minerals driven by rising environmental and productivity standards
- Refined borates offer superior handling and performance; lower impurity levels
 - Lower emissions critical to meet increasingly stringent regulations
 - Product quality and consistency – critical for vitreous applications
 - Lower impurity levels – critical for agriculture applications
 - Lower logistics costs

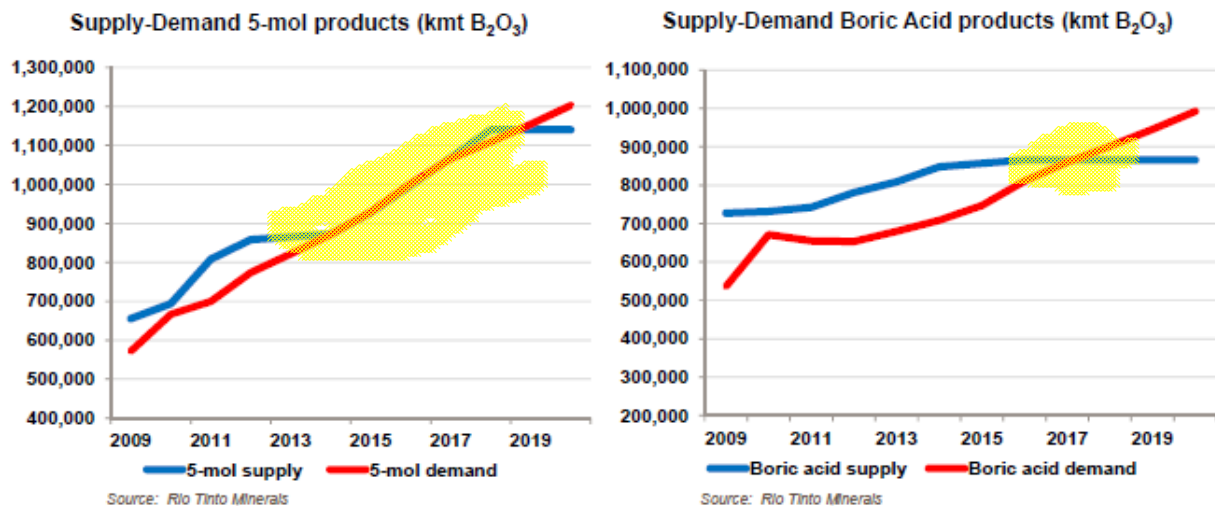
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Slide 61

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Strong position and fundamentals



- Economically viable deposits limited to three major regions in world
- Supply tightening despite competitive expansions
- Demand strengthening in both mature and emerging economies
- Product quality, supply reliability, technical expertise differentiate RTM

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Potash complements existing portfolio



- Exploration JV with Russian fertilizer producer Acron in Saskatchewan.
- Saskatchewan is home to about half the world's potash reserves
- Good fit with borate micronutrient markets
- Builds on Rio Tinto expertise in potash solution mining
- Currently in exploration phase to define potash resource
- Initial results are encouraging

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Promising value proposition



- Borate demand outpacing supply in medium horizon, despite expansions
- Strong commercial strategy built on major trends
- Continuing cost discipline through mature business improvement program

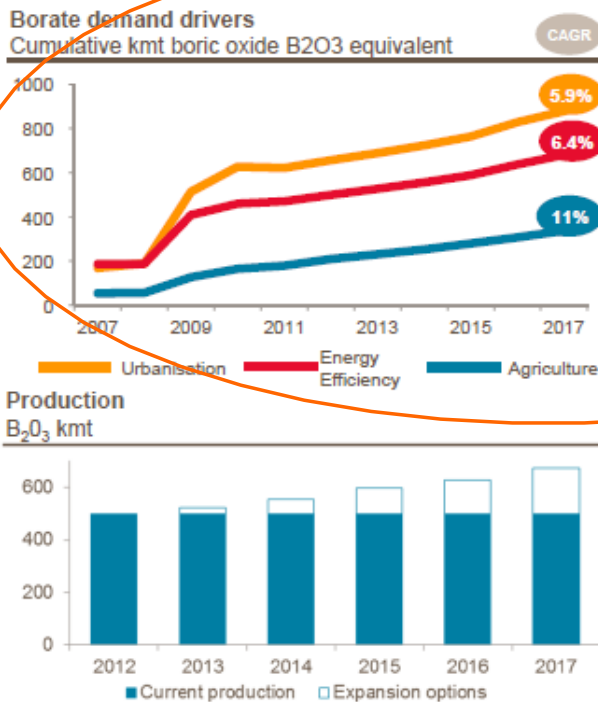
Promising value proposition



- Borate demand outpacing supply in medium horizon, despite expansions
- Strong commercial strategy built on major trends
- Continuing cost discipline through mature business improvement program
- Recognized leaders in safety performance and culture
- Leveraging expertise to develop complementary minerals

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Driving productivity and performance in borates



- Demand growth driven by energy efficiency, food supply, consumer trends
- Tier 1 orebody at Boron, California, with consistent product quality and supply reliability
- Options for incremental capacity expansion through strategic production planning at low capital intensity
- Jadar lithium borate project can deliver two high value product streams from one mine

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"Prices could soar by 40-45% in 2014-2015"

tons/year capacity Boric Acid Plant at Emet have been completed, and the licensing phase has begun with the related agencies and government institutions.

As a result of the recent growth in the boron products markets in the Asian countries, Eti Maden has increased its activities for marketing and effective distribution in this region. A marketing company in Russia and a liaison office in China have been established to ensure that boron products sales targets are met

discovered in 1872. The twenty mule teams Borax used to haul ore out of the remote desert live on as a symbol of the company's commitment to innovation.

Serbia: attracting attention

Rio Tinto has committed \$27 million in second half of 2011 to complete a pre-feasibility study to define the size and grade of the resource at Jadar and confirm extraction parameters. An initial exploration program completed by the company defined the world's first Jadarite resources of 114.6 million tonnes at 1.8% Li₂O, and 13.1% B₂O₃. Jadar is located approximately 90 kilometres southwest of Belgrade, and very close to road, rail and other infrastructure requirements. If studies justify full development, Rio Tinto Minerals hopes to bring Jadar into production by 2016.

Serbia is considered under explored and highly prospective for a variety of minerals, including Jadarite, which is a combination of lithium and boron, and was first discovered by Rio Tinto in 2004.

in the Asian countries, Eti Maden has increased its activities for marketing and effective distribution in this region. A marketing company in Russia and a liaison office in China have been established to ensure that boron products sales targets are met in these markets. Exports to the Far East have risen eleven fold in the last 8 years, as exports to China have increased by 32 times in the same period. Of total sales, 60% is exported to the Far East and principally to China.

Rio Tinto

Third largest mining company in the world, Rio Tinto minerals is the other important producer of borates. The company claims to supply 40% of global demand for refined borates. Rio Tinto operates a mine in Boron, California, as well as the Tincalayu mine in South America Searles Valley Minerals. For 2010, Rio Tinto refined 815,000 tons of refined borates from its boron operations.

Rio Tinto's Borax operates California's largest open pit mine in Boron, California - one of the richest borate deposits on the planet. The company produces about one million tons of borax, boric acid, and anhydrous products per year and supplies nearly

Future prospects

Borates consumption in Asia registered a dip in 2009 followed by some positive movement in 2010, owing to the economic downturn. Consumption is projected to increase in 2012 driven by demand from domestic ceramic and glass industries. With low-grade domestic boron reserves and the anticipated rise in demand, Asian imports (mainly Chinese and India) from Turkey, Russia, and the United States will increase in coming years. Like Europe, emerging Asian markets will require more stringent building standards with respect to heat conservation, which will result in higher consumption of borates for insulation fibreglass.

There is a significant divergence of demand for non-sodium borates and sodium borates driven by the housing, construction and glass sectors. Logistics (bulk and containers), input prices of sulfuric acid and energy, which have played spoilsport for borates processors is affecting the companies, worldwide. This coupled with recent foreign exchange roller-coaster fluctuations will drive the profitability and segmentation strategies of all key suppliers.

Though major expansion projects are underway or have been announced by these companies, a very healthy demand (particularly from Asia) is likely to create tightening supply by the mid of 2013. Prices, which have been inching northwards, even in case of slackened demand in 2009 and 2010 are expected to shoot by another 40-45 % by 2014-15.

In absence of boron resources in Asian countries and explosive demand from its glass and ceramic industries, Turkish and American companies will continue to benefit from its surging appetite for boron.

ALTERNATIVE OUTLOOKS

production by 2016.

Serbia is considered under explored and highly prospective for a variety of minerals, including Jadarite, which is a combination of lithium and boron, and was first discovered by Rio Tinto in 2004, in the Jadar Basin of Western Serbia. The mineral was officially recognized by the International Mineralogical Association in 2006.

Elsewhere in Serbia, Erin Ventures Inc. finished last year by announcing a progress report regarding its Piskanja boron project in Serbia.

The primary goal of this phase of exploration is to establish a resource estimate of sufficient size and quality (i.e. number of tonnes of boron, with sufficient grade to be economic), compliant with Serbian mining laws, so that Erin may proceed with the application for a mining license as soon as possible. It is anticipated that this application will be made early in 2012.

To meet this goal, Erin is conducting a diamond drill program at Piskanja (previously announced July 19, 2011) totalling approximately 15 holes (5,000 metres) of HQ and larger diameter vertical core drilling. The program consists of in-fill drilling and the twinning of certain historical holes. Engineering, geohydrology, environmental and other required studies are underway in