PROJECT RISKS & RETURNS

CRU Aluminium Conference

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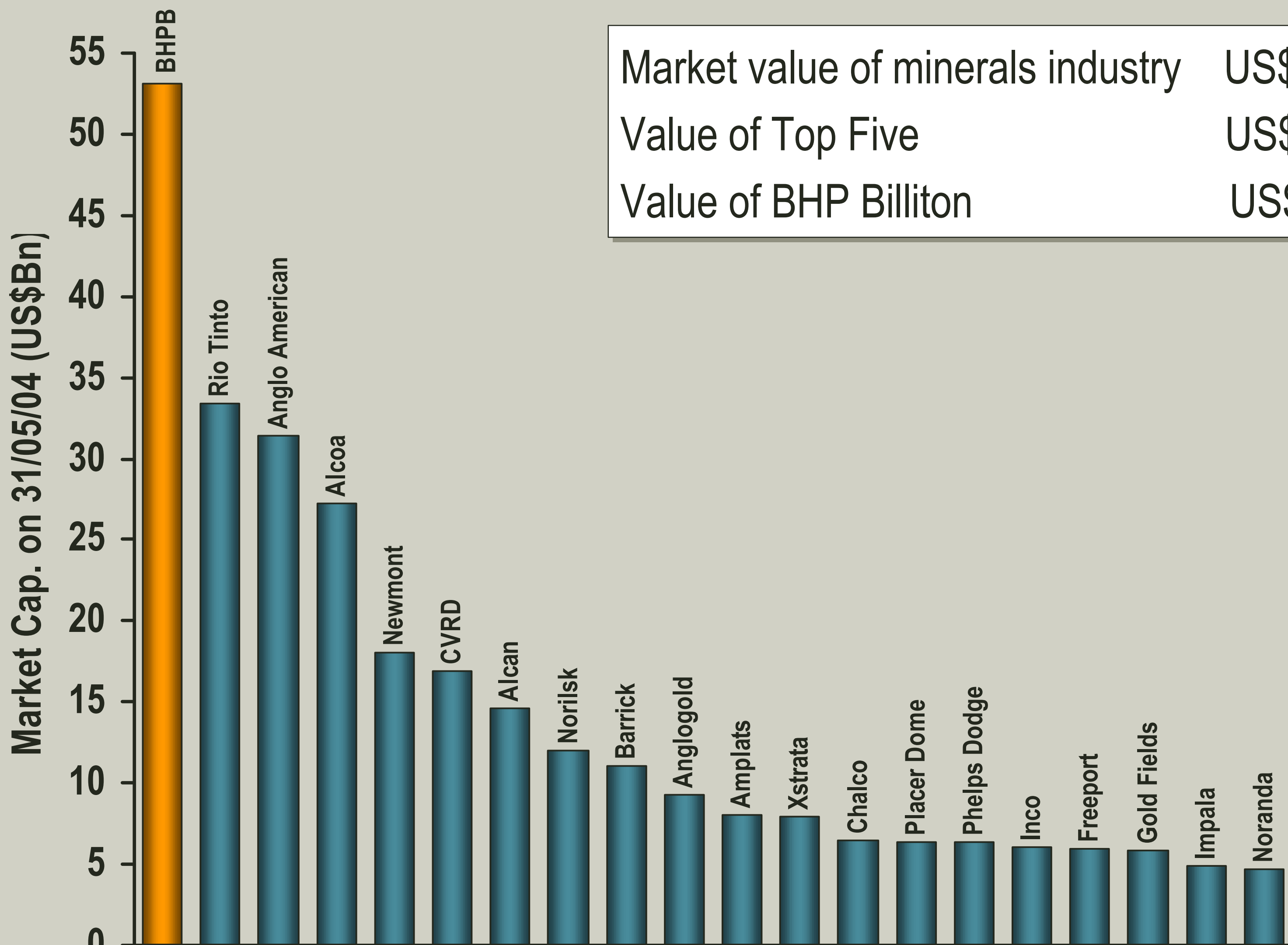
The largest company in a consolidating sector

Market value of minerals industry	US$387 bn
Value of Top Five	US$163 bn
Value of BHP Billiton	US$ 53 bn



Source: Datastream

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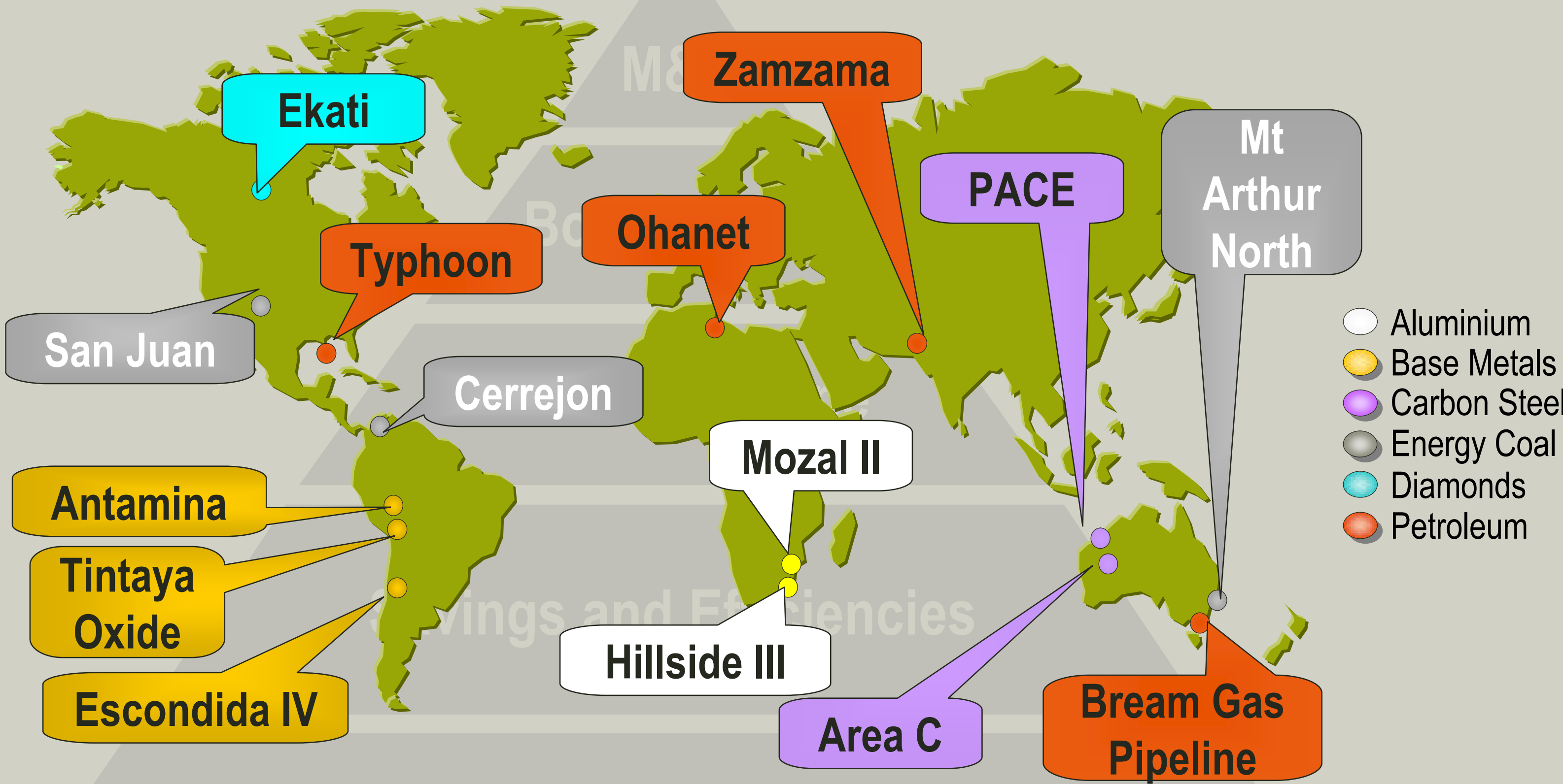
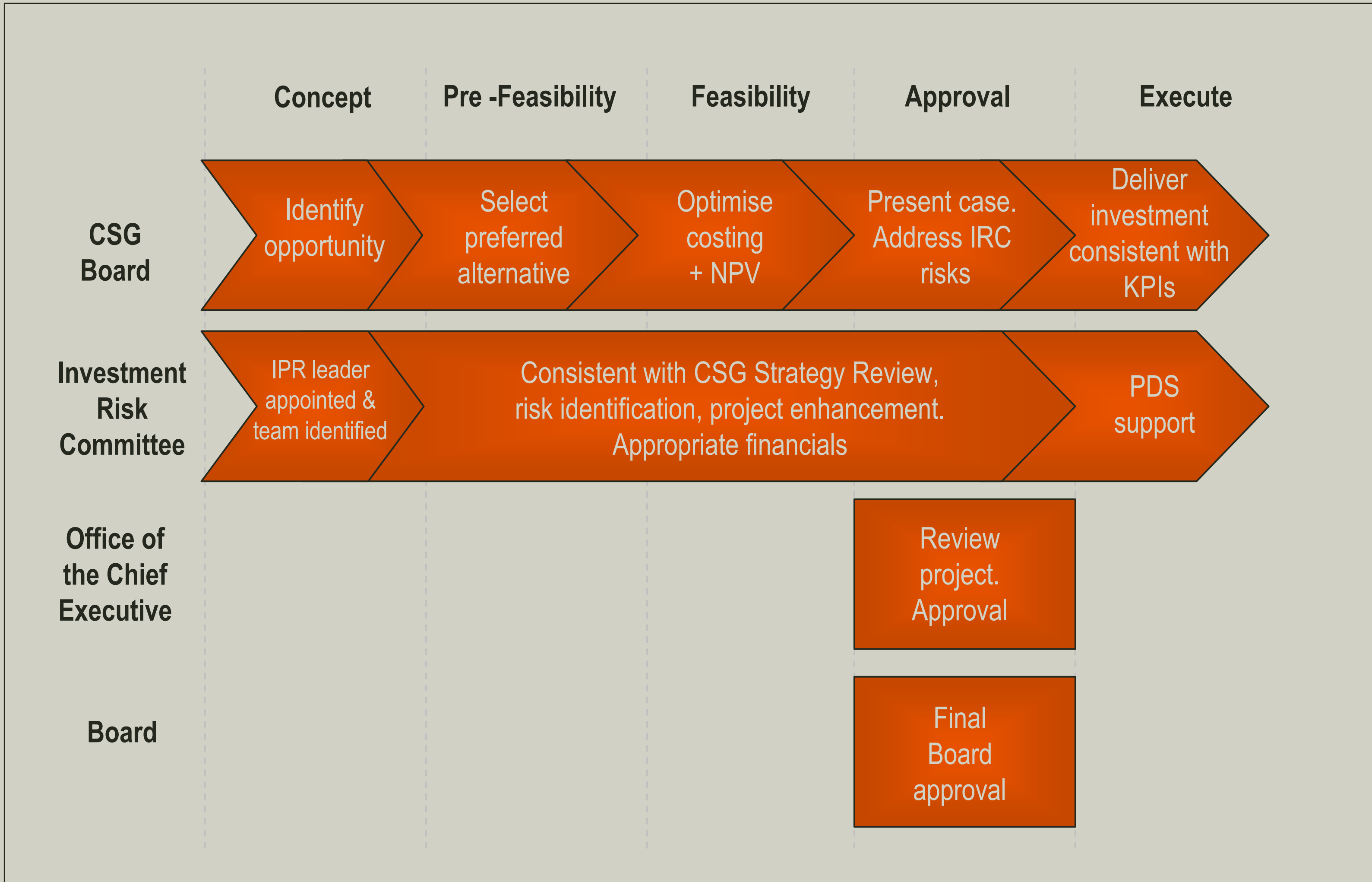
Reinvested for growth
Growth projects delivered since July 2001

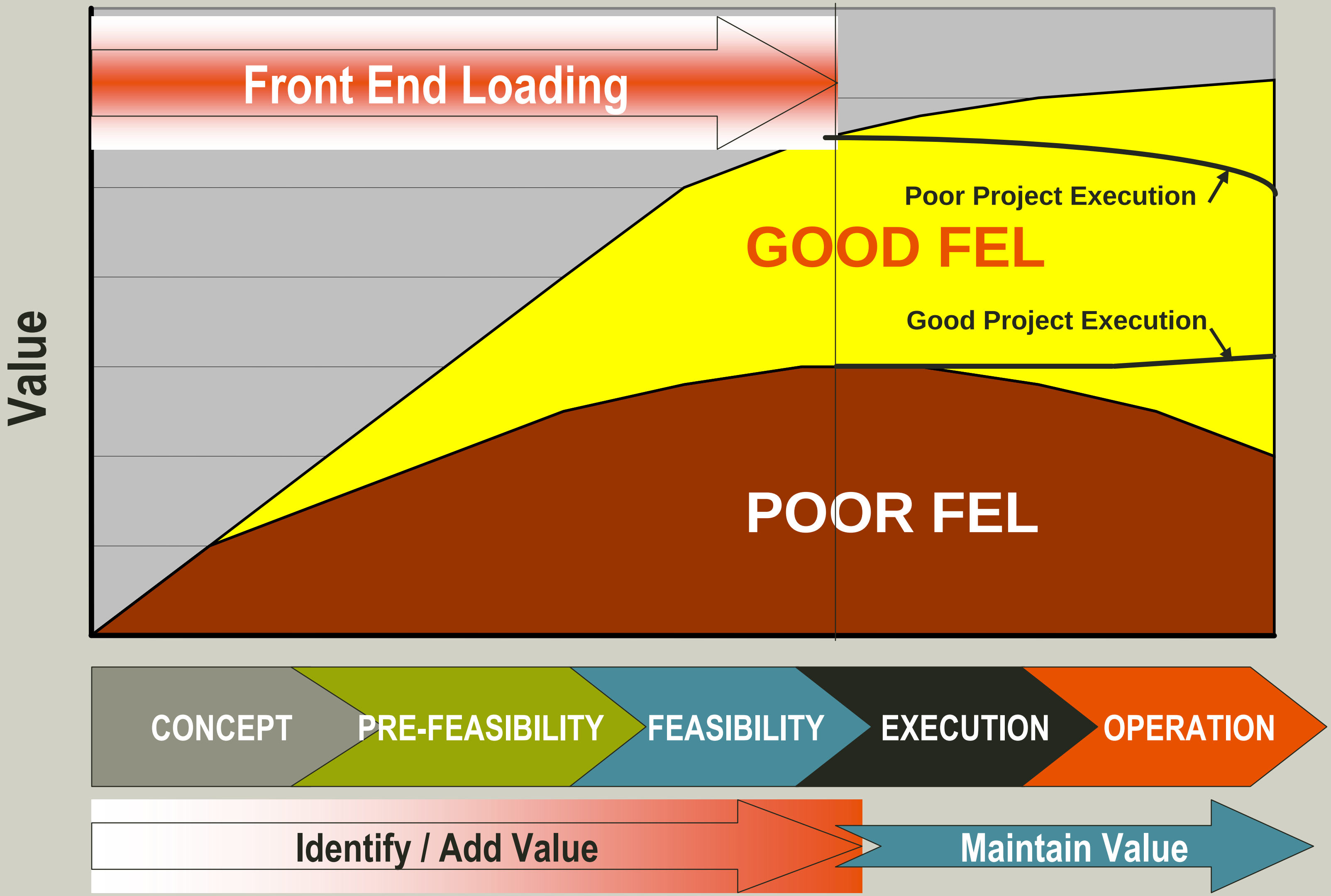


15 projects, US$3.8 billion of capital expenditure
Delivered on time and on budget

Project appraisal process



The Value of Front End Loading



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Aluminium Industry Scenarios

China Scenario 1 – lower metal demand

Metal demand slows

LME prices fall

"Rest of world" smelters under pressure

What can smelters afford to pay for alumina?

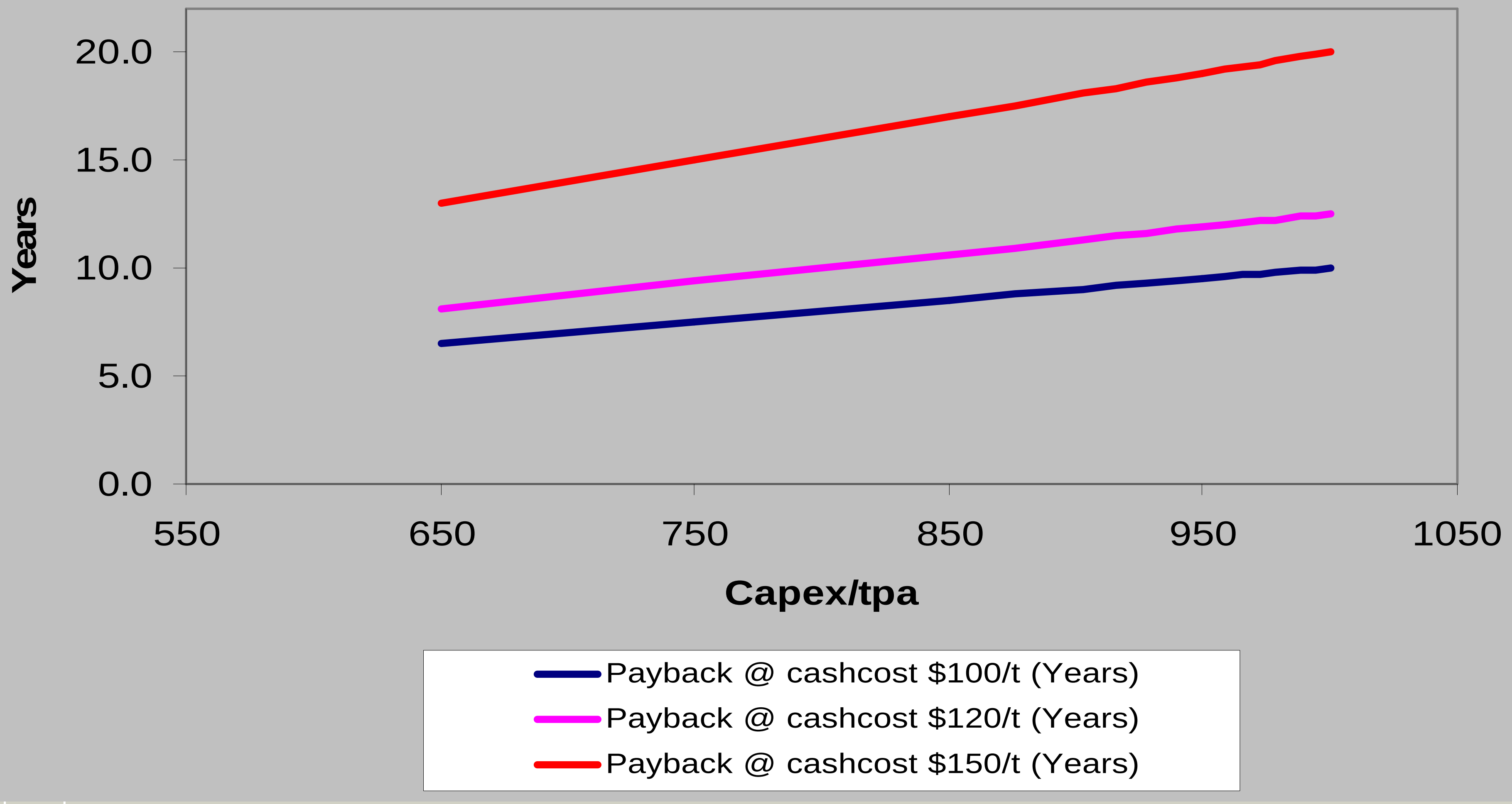
China Scenario 2 – lower metal supply

Alumina demand slows

China smelting drops: policy, environment, power

Cost of Alumina production

Alumina Refinery - Payback



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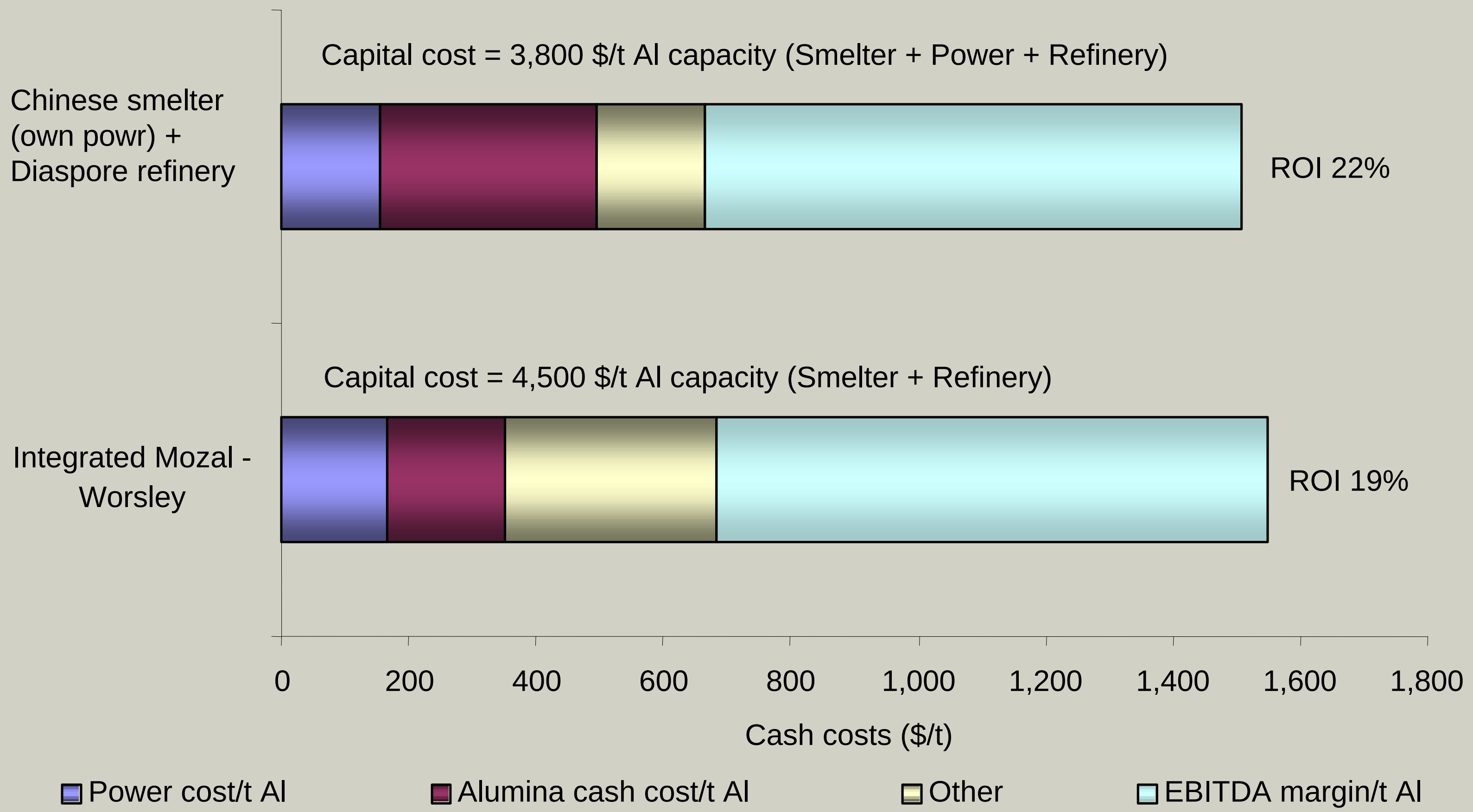
Chinese Smelter + Diaspore Refinery vs. Mozal-Worsley Economics



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