

Edgar Filing: RIO TINTO PLC - Form 425

RIO TINTO PLC
Form 425
September 04, 2008

Filed by: BHP Billiton Plc

and BHP Billiton Limited

Pursuant to Rule 425 under the Securities Act of 1933

Subject Company: Rio Tinto plc

Commission File No.: 001-10533

The following is a letter from Don Argus, Chairman, BHP Billiton to Rio Tinto shareholders that was sent on July 30, 2008, and was subsequently amended. The amended version of this letter has been posted to www.bhpbilliton.com, replacing the version that was originally posted there.

Chairman's Office

BHP Billiton Limited
180 Lonsdale Street
Melbourne Victoria 3000 Australia
Tel +61 3 9609 4372
Fax +61 3 9609 4372
bhpbilliton.com

BHP Billiton Plc
Neathouse Place
London SW1V 1BH UK
Tel +44 20 7802 4000
Fax +44 20 7802 4111
bhpbilliton.com

30 July 2008

Dear Rio Tinto Shareholder,

As Chairman of BHP Billiton I wanted to write to you personally to introduce myself and talk to you about our offer for Rio Tinto. Given the expected length of the timetable for the transaction, I wanted also to provide you with an update on its progress.

I strongly believe that, together, BHP Billiton and Rio Tinto can generate substantial additional value for shareholders.

The combination of Rio Tinto and BHP Billiton would be without comparison in the resources industry in terms of strategy, asset mix and quality, as well as culture.

Both BHP Billiton and Rio Tinto have world-leading portfolios of large-scale, low-cost, long-life assets that are highly complementary.

In many cases, assets are either jointly owned, neighbouring or close by. This unique overlap offers substantial opportunities to save money and add value through managing the assets as one collective group under single ownership.

BHP Billiton's offer for Rio Tinto

BHP Billiton's all-share offer, which was announced on 6 February, 2008, will provide Rio Tinto shareholders with:

A 45 per cent premium, which is equivalent to a premium of A\$46.45 per share for Rio Tinto Limited shareholders and £19.72 per share for Rio Tinto plc shareholders¹. **This is a substantial premium** by any measure and one that is reflected in the large increase in the market price for Rio Tinto shares relative to BHP Billiton shares since our proposal became public last November. Without the benefit of our offer, I strongly believe that Rio Tinto shares would be trading very differently; and

The opportunity to become shareholders in the combined company, with its strengthened asset portfolio, enhanced growth potential, expected synergies and other benefits that will flow from the combination.

The all-share consideration means that the offer is about relative value, not absolute value. As shareholders in the merged group, you will be beneficiaries of strong demand, tight supply and high commodity prices.

I know that many tens of thousands of the shareholders in Rio Tinto also hold shares in BHP Billiton. Whether you are a shareholder in Rio Tinto, BHP Billiton or both companies, we believe the proposed transaction makes enormous sense.

Edgar Filing: RIO TINTO PLC - Form 425

Based on the volume weighted average market capitalisation of Rio Tinto and BHP Billiton for the month prior to BHP Billiton's approach to the Rio Tinto Board on 1-Nov-2007.

BHP Billiton Limited ABN 49 004 028 077

Registered in Australia

Registered Office: 180 Lonsdale Street, Melbourne Victoria 3000

Telephone +61 1300 55 4757 Facsimile +61 3 9609 3015

BHP Billiton Plc Registration number 3196209

Registered in England and Wales

Registered Office: Neathouse Place, London SW1V 1BH United Kingdom

Telephone +44 20 7802 4000 Facsimile +44 20 7802 4111

The BHP Billiton Group is headquartered in Australia

Transaction update

Over the last two months we have made all the regulatory filings to the competition authorities whose approval is required to satisfy the pre-conditions to our offer.

As had been expected, in early July the European Commission announced that it has now opened a detailed Phase 2 review of the potential combination of Rio Tinto and BHP Billiton. We will continue to cooperate with the Commission in their review. We believe that the cost savings, expanded growth options and speed-to-market benefits would provide material benefits for customers.

In addition, we were very pleased in early July to receive notice of early termination of the Hart-Scott-Rodino waiting period and completion of the U.S. Department of Justice merger review. This satisfied part of the global merger control pre-conditions.

We expect that the various regulatory processes will be completed by the end of 2008, after which we should be in a position to send the offer documents to you.

If you are also a BHP Billiton shareholder you will also receive a notice of an extraordinary general meeting that will provide details of when BHP Billiton shareholders will have the opportunity to vote to approve the offer.

Additional materials

I also wanted to take this opportunity to introduce our company to those Rio Tinto shareholders who do not own shares in BHP Billiton. You will find enclosed with this letter a brief description of our business.

If you would like more information on BHP Billiton or the offer, please go to our website at www.bhpbilliton.com

I will continue to update you on the offer as it proceeds.

Thank you for taking the time to read this letter.

Yours faithfully,

Don Argus

Chairman

DISCLAIMER

The directors of BHP Billiton accept responsibility for the information contained in this document. Having taken all reasonable care to ensure that such is the case, the information contained in this document is, to the best of the knowledge and belief of the directors of BHP Billiton, in accordance with the facts and contains no omission likely to affect its import.

It is possible that this document could or may contain forward-looking statements that are based on current expectations or beliefs, as well as assumptions about future events. Reliance should not be placed on any such statements because of their very nature, they are subject to known and unknown risks and uncertainties and can be affected by other factors that could cause actual results, and BHP Billiton's plans and objectives, to differ materially from those expressed or implied in the forward-looking statements.

This document is for information purposes only and does not constitute an invitation to acquire or dispose of any securities or investment advice in any jurisdiction. Any offer, invitation or inducement to acquire or dispose of any securities of BHP Billiton Plc, BHP Billiton Limited, Rio Tinto plc and/ or Rio Tinto Limited will be made solely by means of the BHP Billiton Prospectus, the BHP Billiton Bidder's Statement, the Rio Tinto plc Offer Document and associated documents expected to be published on satisfaction of the pre-conditions to the offer set out in appendix 1 to the announcement made by BHP Billiton pursuant to rule 2.5 of the UK Takeover Code on 6 February 2008, and any decision to keep, buy or sell shares in Rio Tinto plc or Rio Tinto Limited should be made solely on the basis of the information contained in such documents. In addition, BHP Billiton shareholders are urged to read the BHP Billiton class 1 shareholder circular/explanatory statement before making any decision regarding the proposed transaction. The BHP Billiton Prospectus, BHP Billiton Bidder's Statement, Rio Tinto plc Offer Document, BHP Billiton class 1 shareholder circular/explanatory statement and related documents, once published, may be obtained from BHP Billiton's website at www.bhpbilliton.com or on request from BHP Billiton.

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 ADR 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 ADRs 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 Limited Shares

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:

The Rio Tinto Limited 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 Limited 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 US 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 US securities laws. It may be difficult to compel a foreign company and its affiliates to subject themselves to a US court's judgement.

Edgar Filing: RIO TINTO PLC - Form 425

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

