

Kennecott Utah Copper  
4700 Daybreak Parkway  
South Jordan, Utah 84095  
[www.riotinto.com](http://www.riotinto.com)  
[www.kennecott.com](http://www.kennecott.com)

Media Contact:  
Jana Kettering  
Rio Tinto/Kennecott Utah Copper  
Office: 801-204-2917  
[jana.kettering@riotinto.com](mailto:jana.kettering@riotinto.com)

## Press Release

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### **Rio Tinto to invest \$340 million in a new Molybdenum Autoclave Process Facility at Kennecott Utah Copper**

**April 15, 2010**

(South Jordan, UT) – Kennecott Utah Copper, today announced that its parent company, Rio Tinto, will invest \$340 million in the construction of a new Molybdenum Autoclave Process (MAP) facility at Kennecott Utah Copper (KUC) in Magna, Utah. KUC has been producing copper, gold and silver since 1903 and molybdenum since the 1930s. The new facility will allow lower-grade molybdenum concentrate to be processed more efficiently than through conventional roasters, allow improved molybdenum recovery and operating flexibility, and enable production of metallurgical and higher chemical grade molybdenum products. MAP will also make it possible for KUC to recover additional by-products from its concentrate.

Kelly Sanders, President and CEO of Kennecott Utah Copper said, “The outlook for molybdenum demand is very strong, driven by the rapid urbanization and industrialization of China and India. The production of molybdenum and gold make KUC one of the world’s lowest cost producers of copper.”

Molybdenum is a by-product of KUC’s copper production and is used in metal alloys, including steel, to enhance toughness, high temperature strength and corrosion resistance. It is also a key component in oil refining catalysts used to remove sulfur from fuel and improve air quality. Investment in the MAP facility is part of an overall plan to extend the life of the Bingham Canyon Mine beyond 2020, where a significant molybdenum deposit remains.

Molybdenum has been a major contributor to the profitability of Rio Tinto in recent years and is likely to continue to be in the future. Each year, KUC produces approximately 30 million pounds of Molybdenum. The MAP facility will process all of the molybdenum produced from the Bingham Canyon Mine.

“This capital investment will prove to be a tremendous future benefit to Rio Tinto,” said Brendan Ryan, Vice President, Projects and Expansion, Kennecott Utah Copper. “MAP is a robust project that will act as an enabler for future extensions to the mine life.”

The MAP design includes a number of energy efficiency features and environmentally responsible techniques for producing molybdenum products. When completed, MAP is anticipated to produce molybdenum with fewer greenhouse gases than traditional roasting plants. The facility includes a heat recovery system that captures excess heat from the autoclave for use in downstream processes. A combined heat and power (CHP) system, similar to the one being installed at KUC’s Refinery, will also be used to produce steam to power the majority of the facility’s electrical requirements. This system will be capable of producing 6.2 megawatts of clean energy, which is equivalent to the electrical needs of about 6,000 average-sized homes.

The MAP facility will be constructed in two phases. Construction of phase one has already begun between KUC’s smelter and refinery in Magna. First production is anticipated for the fourth quarter of 2012 with full production of 30 million pounds scheduled for fourth quarter 2013. Phase one will have a net increase of 30 new full-time employees. Construction of phase two, which adds additional production capacity totaling 60 million pounds, is anticipated for completion in the first quarter of 2015. Phase two will add a further 20 new full-time employees.

**Editorial Note:** Renderings of the MAP facility and pictures of molybdenum are available upon request to [jana.kettering@riotinto.com](mailto:jana.kettering@riotinto.com).

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### **About Kennecott Utah Copper**

As the second largest copper producer in the United States, Kennecott Utah Copper provides about 18 percent of the U.S.'s copper needs. Kennecott's Bingham Canyon Mine is the largest man-made excavation in the world. It is one of the top producing copper mines in the world with production at more than 18.1 million tons. Every year, Kennecott produces approximately 300,000 tons of copper, along with 500,000 ounces of gold, 4 million ounces of silver, about 30 million pounds of molybdenum, and about 1 million tons of sulfuric acid, a by-product of the smelting process. Rio Tinto purchased Kennecott Utah Copper in 1989 and has invested about \$2 billion in the modernization of KUC's operations. KUC has also spent more than \$350 million on the cleanup of historic mining waste and \$100 million on groundwater cleanup. Rio Tinto employs 2,400 people and hundreds of contractors in Utah. [www.kennecott.com](http://www.kennecott.com)

### **About Rio Tinto**

Rio Tinto is a leading international mining group headquartered in the United Kingdom, combining Rio Tinto plc, a London and NYSE listed company, and Rio Tinto Limited, which is listed on the Australian Securities Exchange.

Rio Tinto's business is finding, mining, and processing mineral resources. Major products are aluminium, copper, diamonds, energy (coal and uranium), gold, industrial minerals (borax, titanium dioxide, salt, talc) and iron ore. Activities span the world but are strongly represented in Australia and North America with significant businesses in South America, Asia, Europe and Southern Africa. [www.riotinto.com](http://www.riotinto.com)

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