

3298904

VERIFIED A TRUE COPY

Mayle

W Taylor
Director/Secretary

Dated 10 October 2000

BILLITON GROUP LIMITED
and
BILLITON HOLDINGS LIMITED

SHARE PURCHASE AGREEMENT

relating to the shares in
Billiton Investments Canada Inc.

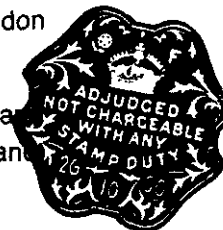


LINKLATERS
One Silk Street
London EC2Y 8HQ
Telephone: (44-20) 7456 2000
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Ref: LCF/DXT

This Agreement is made on 10 October 2000

Between:

- (1) **BILLITON GROUP LIMITED**, a private limited company registered in England and Wales with registered number 3298904 and whose registered office is at 1-3 Strand, London WC2N 5HA ("BGL"); and
- (2) **BILLITON HOLDINGS LIMITED**, a private limited company registered in England and Wales with registered number 3298895 and whose registered office is at 1-3 Strand, London WC2N 5HA ("BHL").



Whereas:

- (A) BGL is the registered holder or beneficial owner of the Shares (as defined below).
- (B) Under this Agreement, BGL will sell or procure to be sold the Shares to BHL.

Now it is hereby agreed as follows:

1 Definitions and Interpretation

1.1 In this Agreement:

Consideration Shares means ordinary shares of US\$0.50 each in the capital of BHL to be allotted and issued by BHL credited as fully paid as consideration pursuant to Clause 3;

Encumbrance means any claim, charge, mortgage, security, lien, option, equity, power of sale or hypothecation or other third party rights, retention of title, right of pre-emption, right of first refusal or security interest of any kind; and

Shares means the common shares in Billiton Investments Canada Inc. ("**Holdco**").

- ### 1.2
- References to Clauses and Schedules are to the Clauses of and Schedules to this Agreement.

2 Agreement to Sell the Shares

2.1 Sale of Shares

BGL agrees to sell or procure to be sold and BHL agrees to purchase the Shares. Except as otherwise expressly provided in this Agreement, no warranties, indemnities, representations or undertakings, in any case implied or express, with regard to the Shares or to the title of BGL thereto are given by BGL, nor are the same to be implied, by virtue of BGL entering into this Agreement or any other agreement in the agreed terms or executing any instrument pursuant hereto or thereto or selling, conveying or transferring or agreeing to sell, convey or transfer the same pursuant hereto or thereto. BGL shall and shall be obliged to transfer or procure the transfer to BHL only such rights, title or interest as it may have subject to all Encumbrances as may exist thereon. BHL shall accept without enquiry, requisition or objection such title as BGL may have to the Shares.

2.2 Rights of Pre-emption

BGL and BHL shall procure that any and all rights of pre-emption over the Shares conferred either by the Articles of Association or other equivalent document of Holdco or in any other way are waived irrevocably by the persons entitled thereto.

3 Consideration

The consideration for the purchase of the Shares shall be the issue to BGL of the Consideration Shares in accordance with Clause 4.2.2.

4 Completion

4.1 Time and Place

Completion of this Agreement shall take place at such time and place as shall be agreed by BGL and BHL.

4.2 Obligations on Completion

4.2.1 BGL shall deliver or procure to be delivered to BHL duly executed transfers relating to the Shares together with the relevant share certificates or, if the share certificates have been lost, an indemnity in a form reasonably acceptable to BHL.

4.2.2 BHL shall on Completion issue to BGL Consideration Shares credited as fully paid up which shall rank for all dividends hereafter declared or paid on shares of that class, the number of Consideration Shares to be issued to be determined in accordance with the following formula:

$$\frac{\text{market value of the Shares}}{\text{market value of one BHL ordinary share}}$$

where:

- (i) the market value of the Shares is determined as at close of business on the London Stock Exchange on the day before the date of Completion;
- (ii) the market value of one BHL ordinary share is determined as:
$$\frac{\text{market capitalisation of BHL}}{\text{number of BHL ordinary shares in issue;}} \quad \text{and}$$
- (iii) the market capitalisation of BHL is determined by reference to the market capitalisation of Billiton Plc as at close of business on the London Stock Exchange on the day before the date of Completion, less the US\$ nominal value of the cash and loan notes contributed to Billiton Investments Canada Inc. by Plc on the day before the date of Completion.
- (iv) The US\$ market capitalisation of Plc shall be calculated by reference to the mid-market sterling:US\$ exchange rate as at close of business on the London Stock Exchange on the day before the date of Completion.


5 Governing Law

This Agreement shall be governed by and construed in accordance with English law.

In witness whereof this Agreement has been duly executed on the date stated at the beginning.

SIGNED by
on behalf of BILLITON GROUP
LIMITED in the presence of:

} 



SIGNED by
on behalf of BILLITON HOLDINGS
LIMITED in the presence of:

} 