



Rio Algom

William Paul Goranson, P.E.
Manager, Radiation Safety
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Rio Algom Mining Corp.
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October 26, 2000

CERTIFIED MAIL Z 579 114 132
RETURN RECEIPT REQUESTED

Mr. Philip Ting
Branch Chief
U.S. Nuclear Regulatory Commission
Fuel Cycle Licensing Branch
11545 Rockville Pike
Mail Stop T-7J8
Rockville MD 80852

Subject: Buyout of Rio Algom Limited by Billiton plc
License No.: SUA-1548 Docket No: 40-8964
Smith Ranch Facility

Dear Mr. Ting:

On October 16, 2000, Billiton plc completed its purchase of 95.7% of the outstanding shares of Rio Algom Limited, the parent company of Rio Algom Mining Corp. Until Billiton completes the transition, Rio Algom Limited will remain a public company for approximately the next 30 days when it will be de-listed and held privately by Billiton plc.

Billiton is a large, diversified international mining company and is one of the world's major resource groups. It is one of the world's largest producers of aluminium, the world's largest exporter of thermal coal and has a controlling interest in the world's leading integrated producer of ferrochrome and ferromanganese. Billiton has acquired Rio Algom Limited primarily because of its attractive South American copper mining assets. Before this acquisition, Billiton had significant assets over that of Rio Algom Limited, and those assets have been strengthened by the completion of this acquisition. It is expected that this acquisition will have a minimal impact on Rio Algom Mining Corp. and its operations in Wyoming, New Mexico and Utah.

The State of Wyoming currently holds the reclamation bond for the above referenced license in the form of a Parent Company Guarantee for the U.S. Nuclear Regulatory Commission. This bond is currently in the name of the current Parent Company, Rio Algom Limited. Once Rio Algom is de-listed, the publicly traded parent company for Rio Algom Mining Corp. will become Billiton plc. At that time, Rio Algom Mining Corp. will prepare surety documents for review by NRC and subsequent execution by the new parent company.

If you have any questions, please call me at (405) 858-4807.

Sincerely,

William Paul Goranson, P.E.
Manager, Radiation Safety, Regulatory
Compliance and Licensing

nmssd Public
Add: Philip
Ting

October 26, 2000

CC: John Lusher, U.S. Nuclear Regulatory Commission
Rick Chancellor, Wyoming DEQ
Marvin Freeman, RAMC
Bill Ferdinand, RAMC
John Cash, RAMC
John McCarthy, RAMC