

BHP Billiton Base Metals

Investor Presentation

June 2007



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BHP Billiton results are reported under International Financial Reporting Standards (IFRS). References to Underlying EBIT and EBITDA exclude net finance costs and taxation for jointly controlled entities, and exceptional items. All references to dollars are to US dollars.

Base Metals Global Footprint

Antamina 33.75%



Cerro Colorado



Spence



Escondida 57.5%



Olympic Dam



Cannington



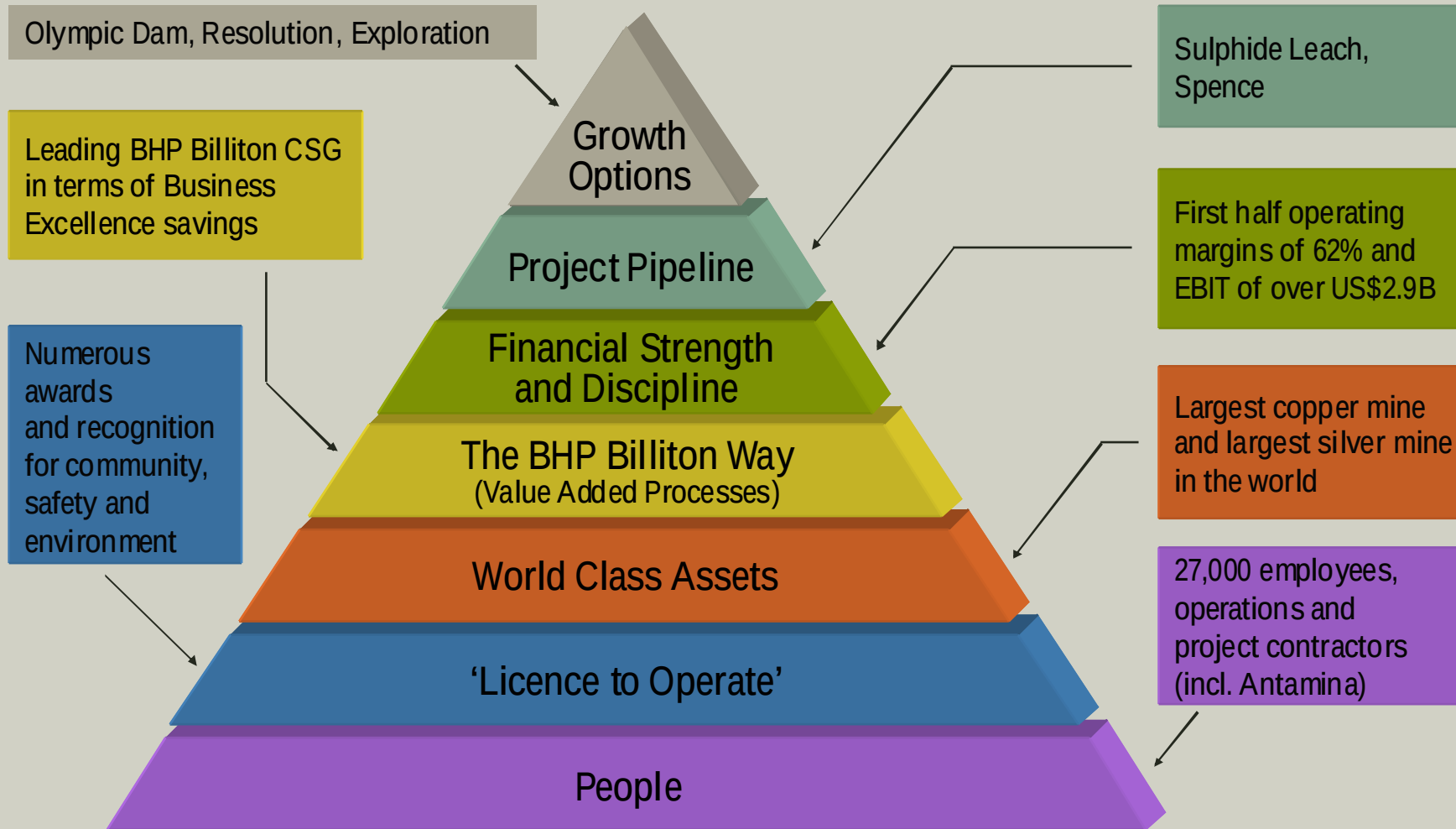
Base Metals - Vision

To create value for our stakeholders through being the *pre-eminent* base metals supplier.

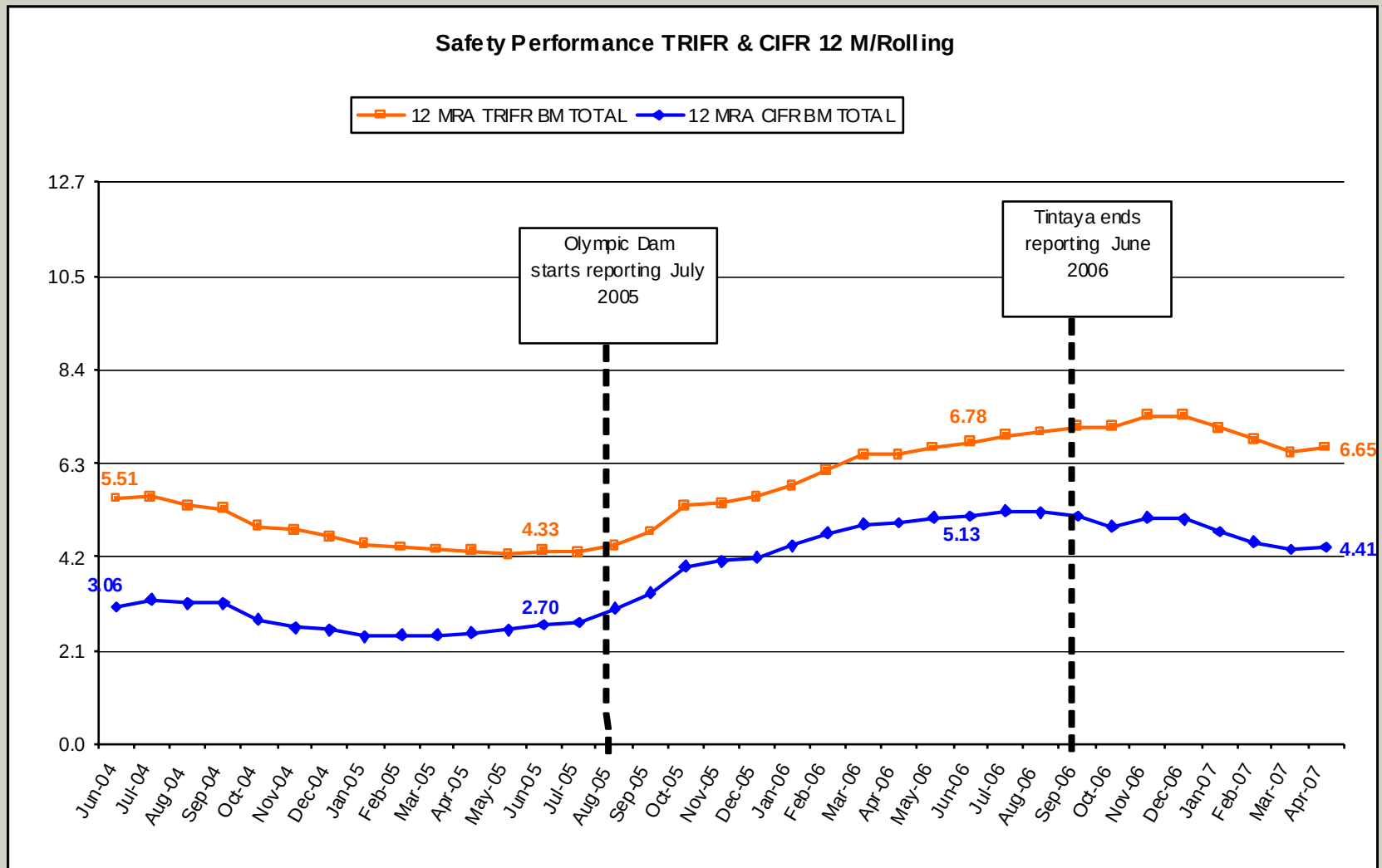
Pre-eminent means:

- Zero Harm embedded, an industry leading Health, Safety, Environment and Community performance
- Sustained superior financial returns
- A great workforce
- World-class operating practices in cost, production and marketing
- New technologies that provide a competitive advantage
- A portfolio of high-quality, long-life mining assets with a global pipeline of exploration targets and new projects under development
- The respect and cooperation of our customers, business partners and communities

Base Metals - Strategic Focus



Base Metals - Safety



Base Metals - A key contributor to total Underlying EBIT

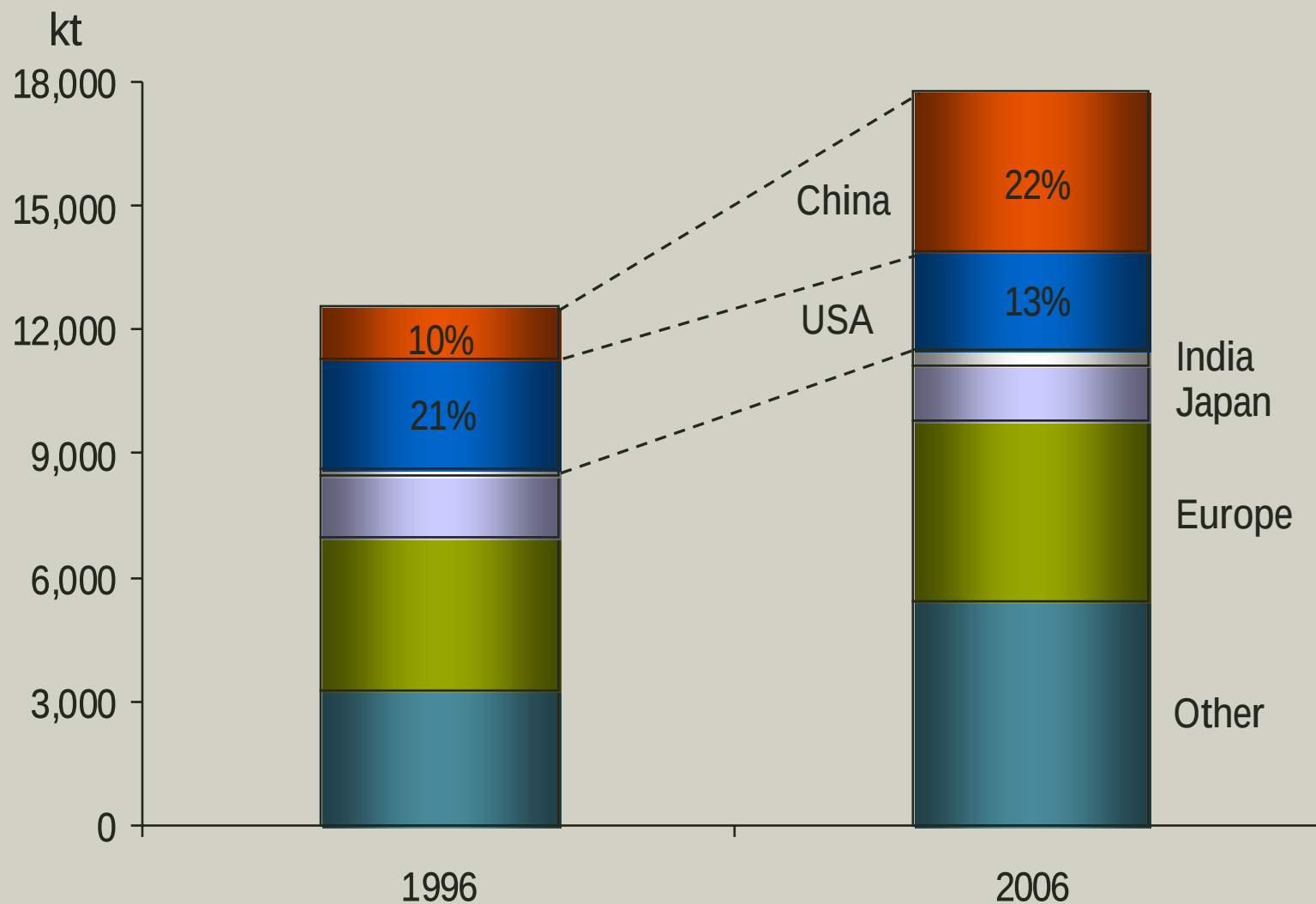
Half year ended December (US\$M)	2006	2005	% Change
Petroleum	1,612	1,436	+12
Aluminium	840	406	+107
Base Metals	2,905	1,893	+54
Diamonds & Specialty Products	105	261	-60
Stainless Steel Materials	1,436	374	+284
Iron Ore	1,406	1,243	+13
Manganese	105	85	+24
Metallurgical Coal	659	947	-30
Energy Coal	243	205	+19
Group & Unallocated Items ⁽¹⁾	(177)	(179)	
BHP Billiton (Total)	9,134	6,671	+37

(1) Includes Exploration & Technology

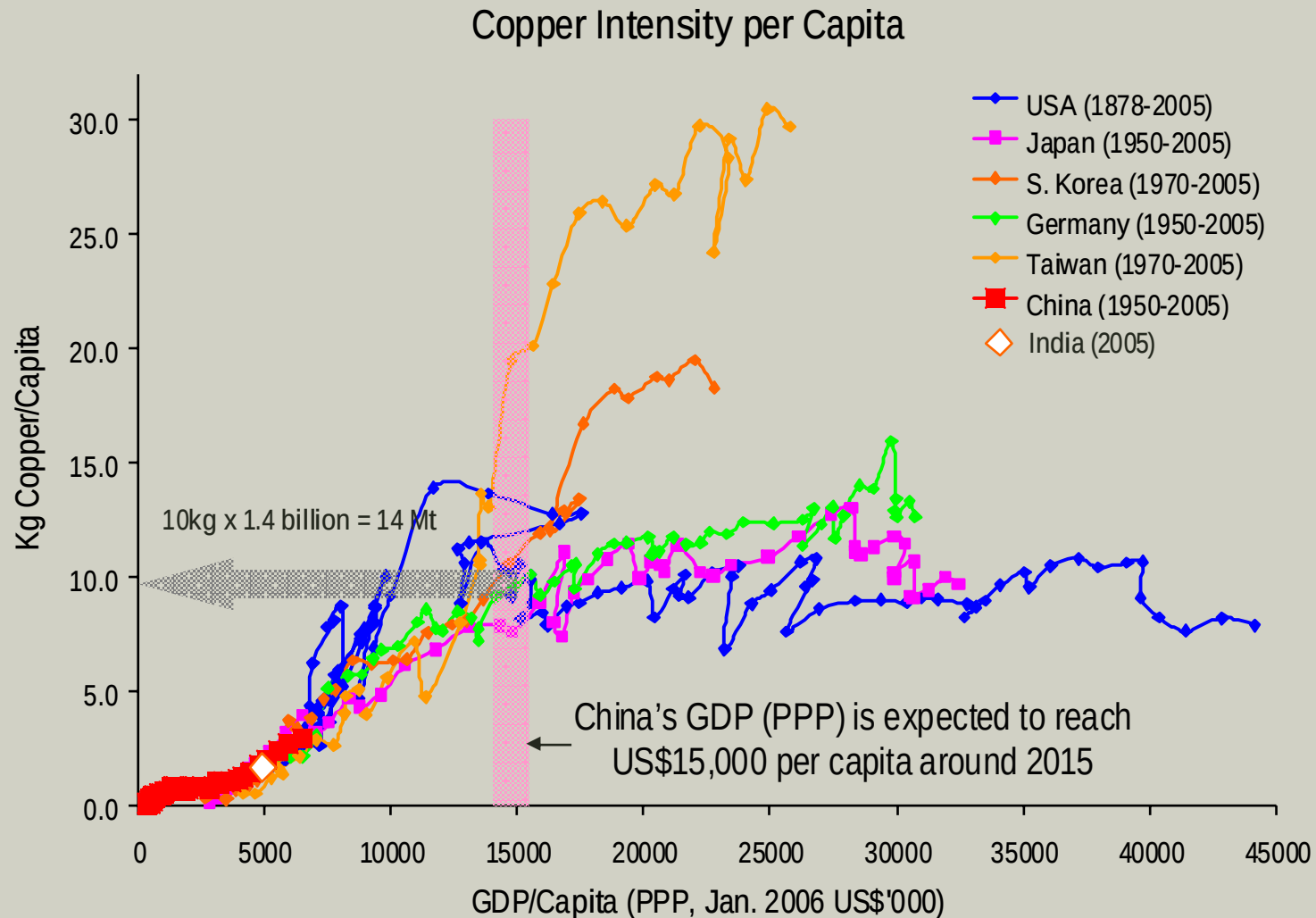
Base Metals – Overview

- Market demand remains healthy while stocks continue at low levels
- Particularly susceptible to supply disruptions
- TC/RC softened as the concentrate market moved into deficit
- Escondida delivering exceptional returns
- Commissioning of Spence and Sulphide Leach delivered production growth at the right time
- Cannington rehabilitation program complete and back to full production
- Olympic Dam focusing on lifting mine production while understanding the full potential of this world class resource
- Cerro Colorado production improvement impacted in short term by clay content in ore
- Power and Water availability in Northern Chile will remain critical
- Continue to develop long term growth options through targeted exploration

Base Metals- China a key driver of global copper demand



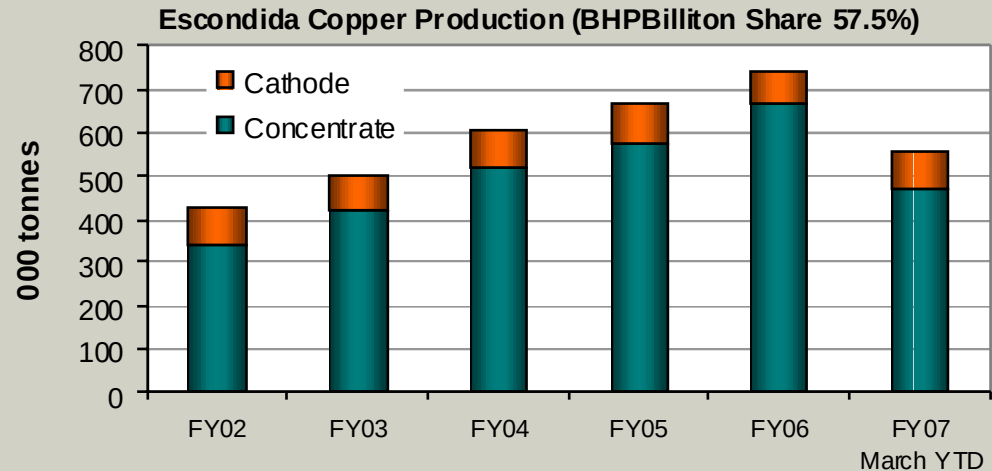
Base Metals - China copper consumption growth set to continue following the path of other developed economies



Source: World Bank, OECD (GDP at Purchasing Power Parity), CRU

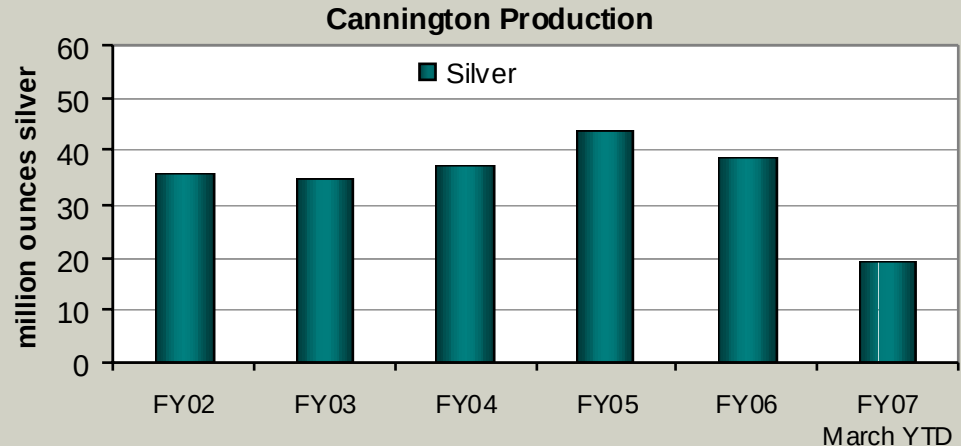
Escondida

- The largest single copper mine in the world
- EBIT in H1 FY07 of US\$ 1,774 million (BHP Billiton share)
- Two pits feeding two concentrators
- Two leaching operations : oxide heap leach and bacterial assisted sulphide leach
- Sulphide Leach ramping up to full production after start up in H1 FY07
- Labour negotiations concluded in CY2006
- Bidding process for long term power requirements
- Growth options



Cannington

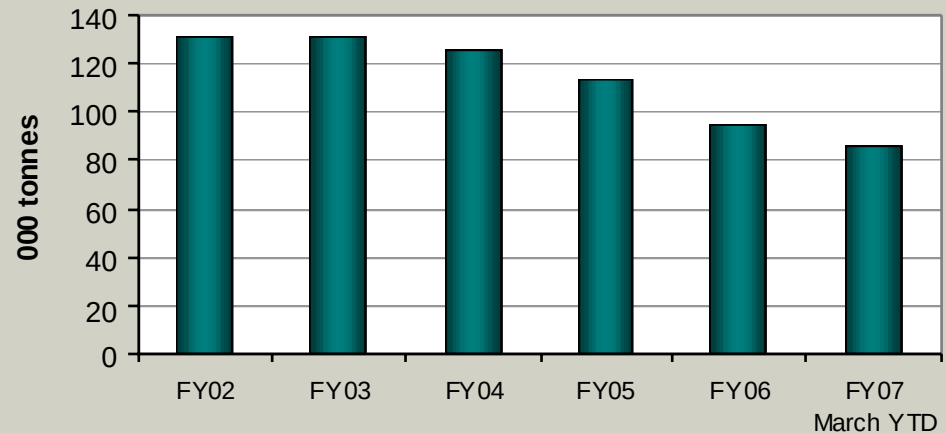
- The largest single Silver producer in the world
- EBIT in H1 FY07 of US\$ 198 million
- Rehabilitation of ground support program was undertaken in FY06 - FY07 and is now complete
- The mine is better positioned post - rehabilitation to maintain production, offsetting natural grade decline



Cerro Colorado

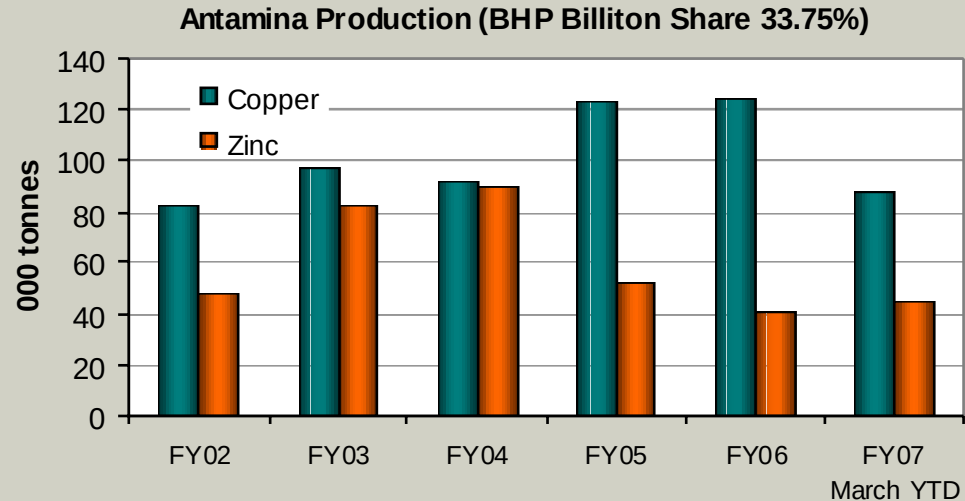
- Combined oxide-sulphide leach operation
- EBIT in H1 FY07 of US\$ 255 million
- Current mine plan sees production through 2016
- Work continues evaluating the extent of a hypogene resource and other development option to extend life of mine
- Production improvement in the short term impacted by high clay content in ore

Cerro Colorado Copper Production



Antamina

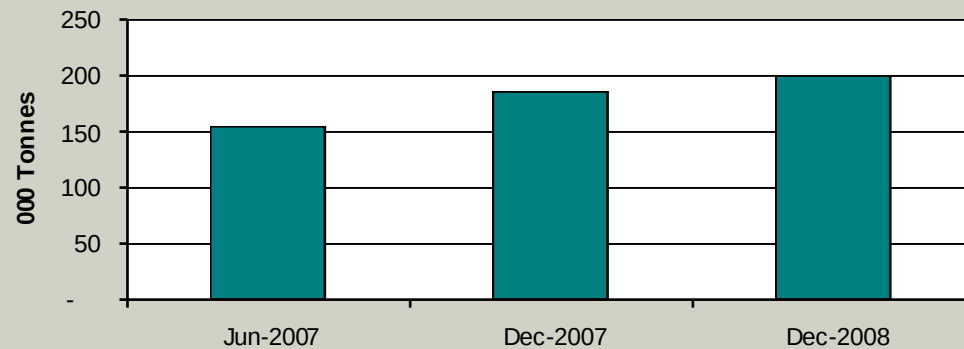
- JV with 33.75% BHP Billiton ownership.
- EBIT in H1 FY07 of US\$ 387 million (BHP Billiton share)
- Plant consistently exceeding design throughput
- Voluntary Contribution Fund for community assistance established in FY07



Spence

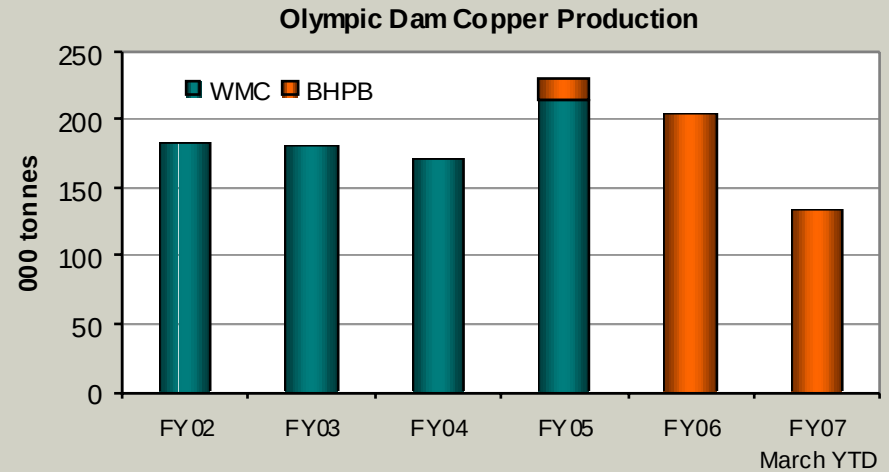
- Greenfield mine development at Sierra Gorda in Northern Chile
- Successfully completed on time and on budget
- First cathode produced in Dec 2006 and in ramp up to full production
- FY07 copper production 80 - 85 k tonnes

Spence Copper Production Ramp-Up (Annualized)

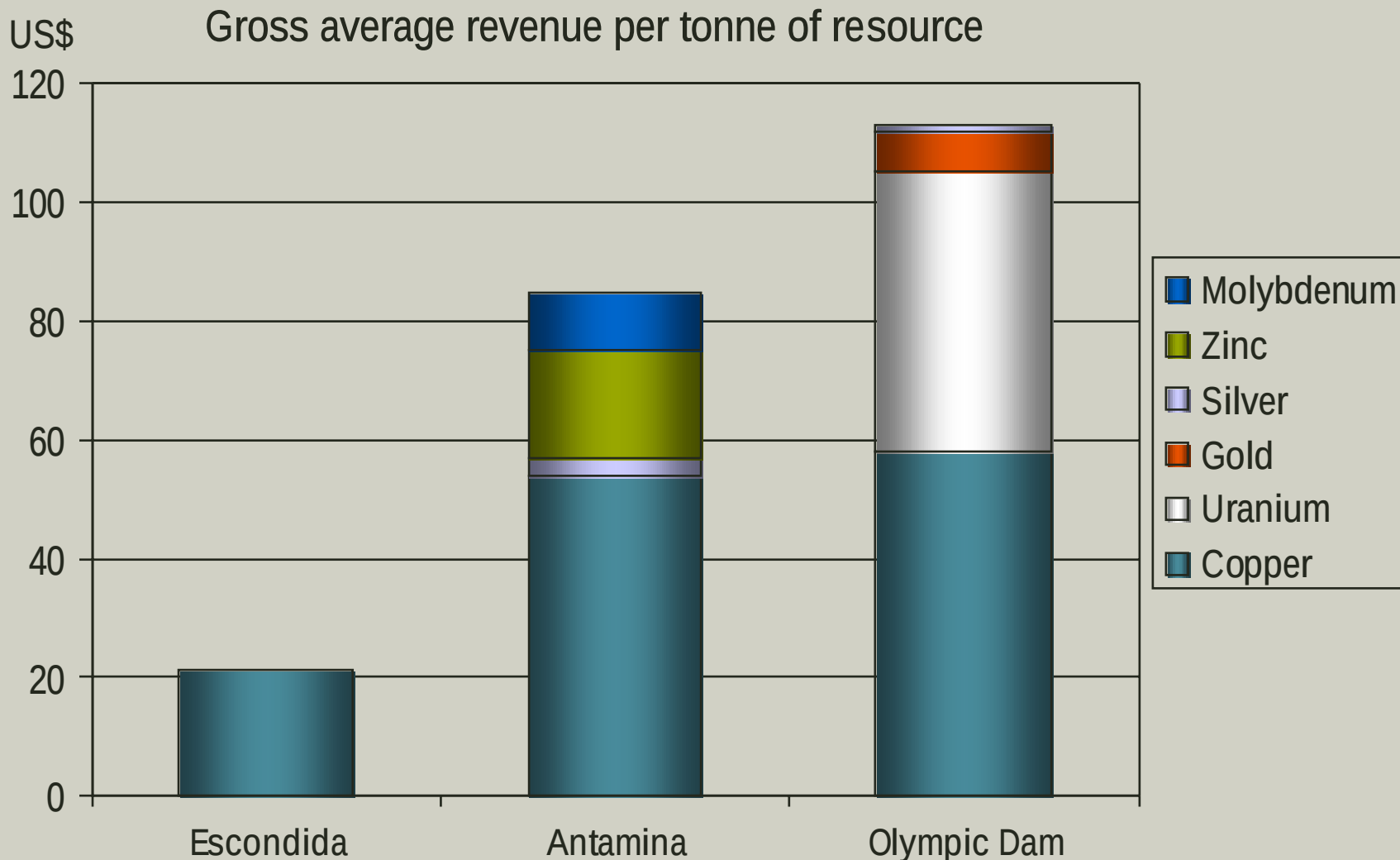


Olympic Dam

- World class mineral resource is the largest known Uranium mineral deposit and sixth largest Copper deposit
- EBIT in H1 FY07 of US\$ 360 million
- Mine is critical path constraining production before major expansion
- Uranium leaching circuit reliability and recovery improvements underway
- WMC fixed price for majority of Uranium production through FY 2010
- OD Expansion project Pre-feasibility ongoing
- Current resource supports a >50 year mine life at increased rate
- Operation of expanded facilities – ramp up from end 2013 to 2015



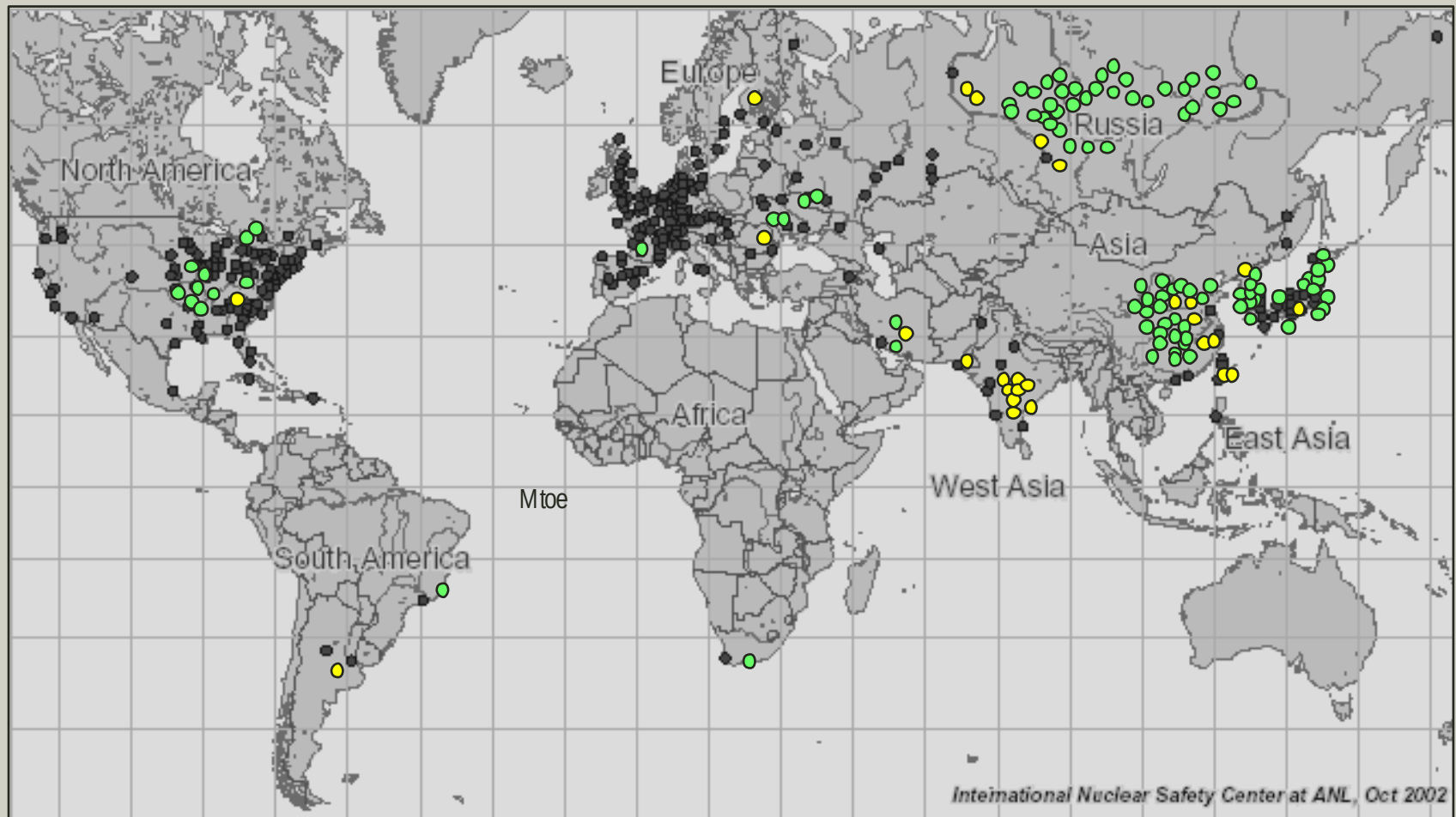
Why is Olympic Dam so valuable?



- a) Resources, metal grades and recover rates obtained from the FY2006 Annual Report (except for Moly).
- b) Moly recovery rates for Antamina provided by Base Metals.
- c) Prices as at 31 Jan as per Financial times and Global InfoMine.

Nuclear growth will be especially strong in Asia

● Under construction - 27 ● Planned – > 80 ● Operational - 441



Base Metals – Power in Northern Chile

Considering the gas fired power generation installed in the SING and the uncertainty in the natural gas supply, Base Metals is working to ensure electricity supply at the lowest possible cost :

Interim Solution (2007-2010):

Running pre-feasibility studies for different alternatives:

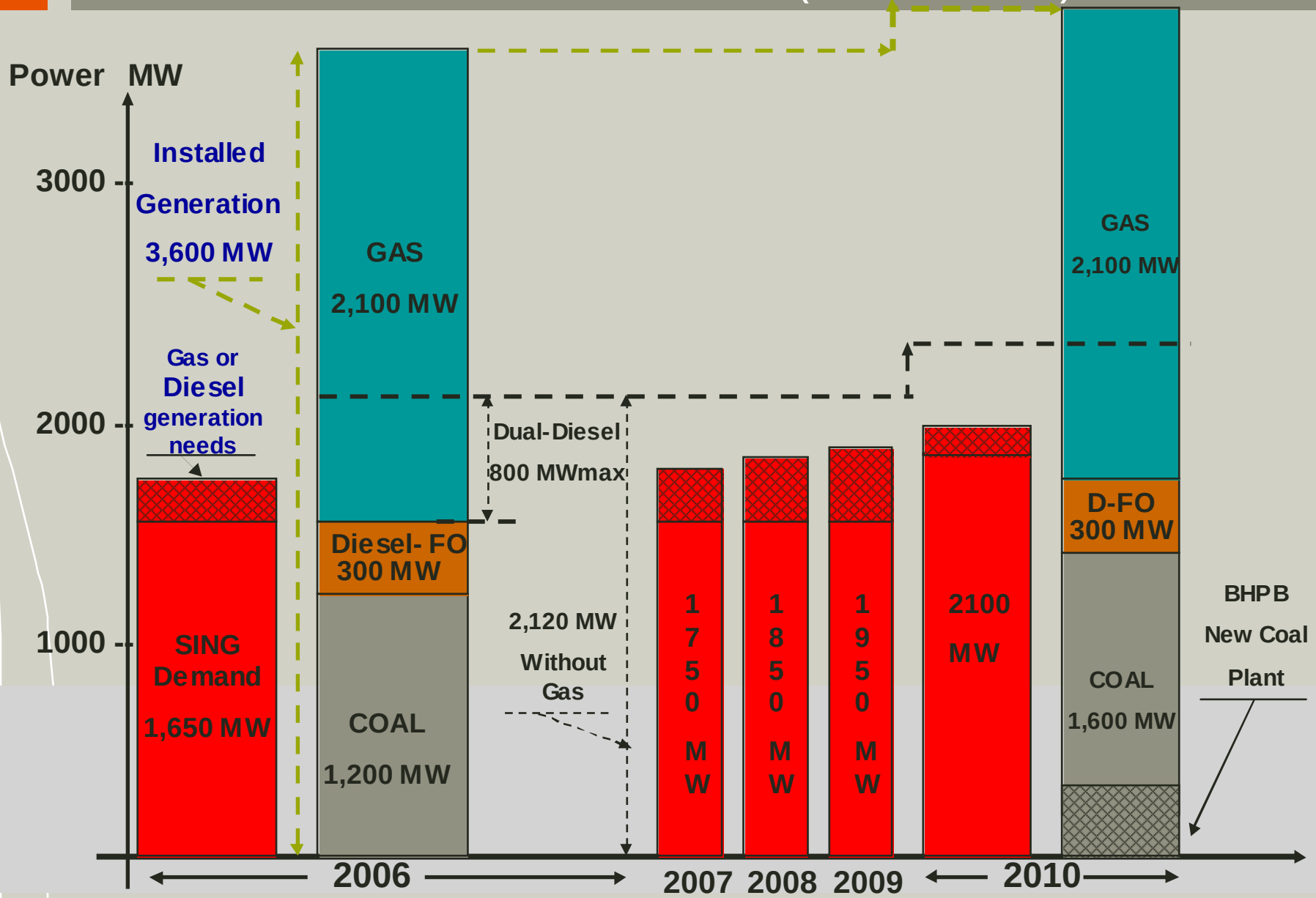
- Self generation (Local Diesel Generators)
- On Shore LNG Terminal (Regasification On Shore & Floating Storage)
- Off Shore LNG Terminal (FSRU - Floating Storage Regasification Unit)

Long-term Power Supply (2010-2026):

Subscribe Power Purchase Agreements with power generation companies based in coal fired generation.

The agreements involve the construction and operation of a coal fired thermoelectric plant of at least 400 MW connected to the SING.

SING Generation in the near future (2006 – 2010).



Base Metals – Water in Northern Chile

- Water is a scarce resource in Northern Chile
- Availability of new underground water is increasingly limited
- Environmental sensitivity is increasing
- Learning curve on technical environmental management and policies of the topic
- However, BHP Billiton is well positioned :
 - Management of current resources (recovery, reutilization, consumption reduction)
 - Carefully monitoring the impacts of underground extraction
 - Developed desalination alternative (expandable)
 - Looking for new underground resources (i.e. Pampa Colorada)

Summary

- Consistent execution of strategy
- Delivering increase volumes
- Record results
- With a portfolio than can perform in a low price environment and deliver exceptional returns at times of high prices
- Growth potential through development of world class resources
- Demand outlook remains positive
- Inventories low and supply constrained

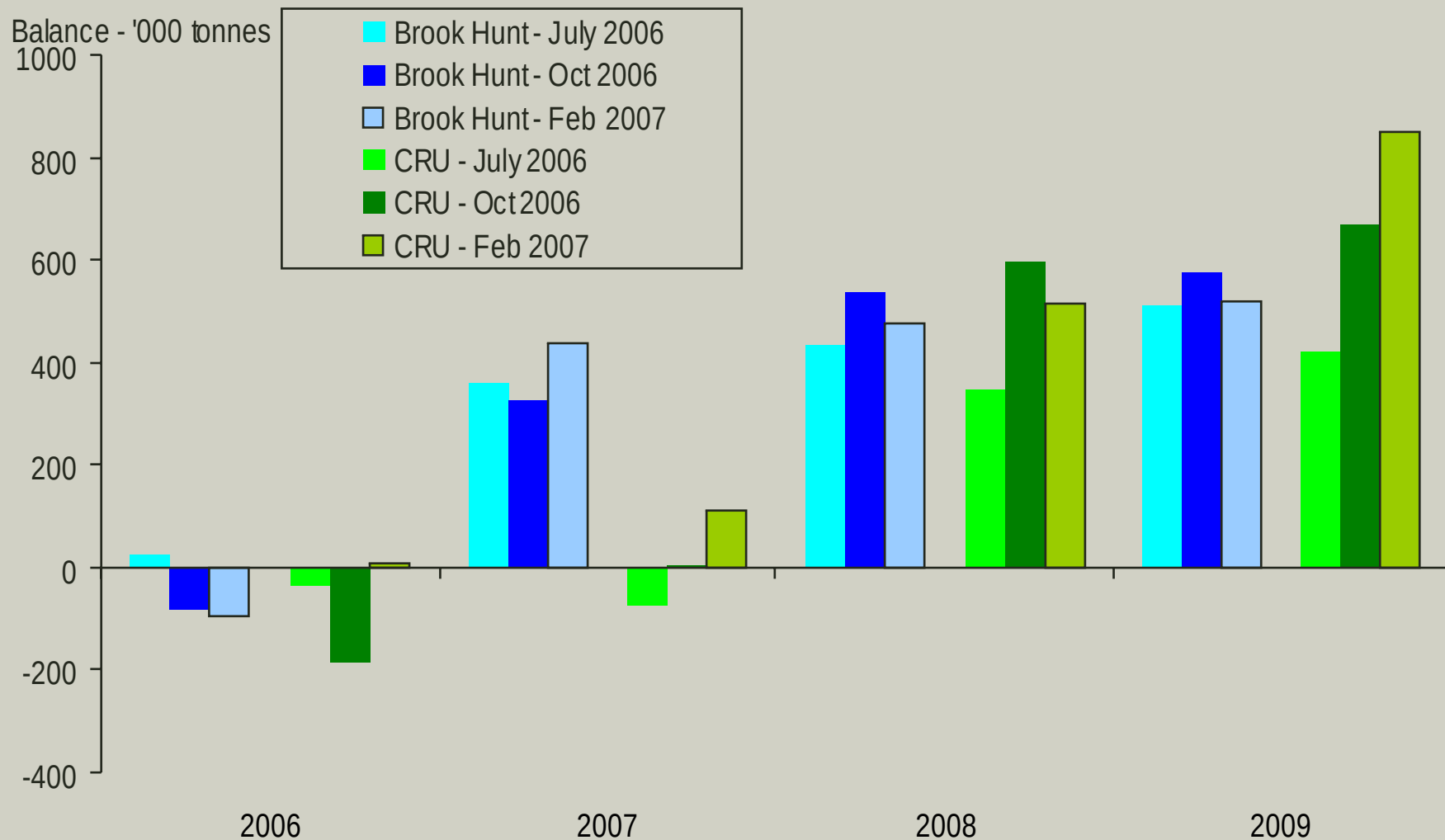
Appendix

Base Metals

Refined Copper Market

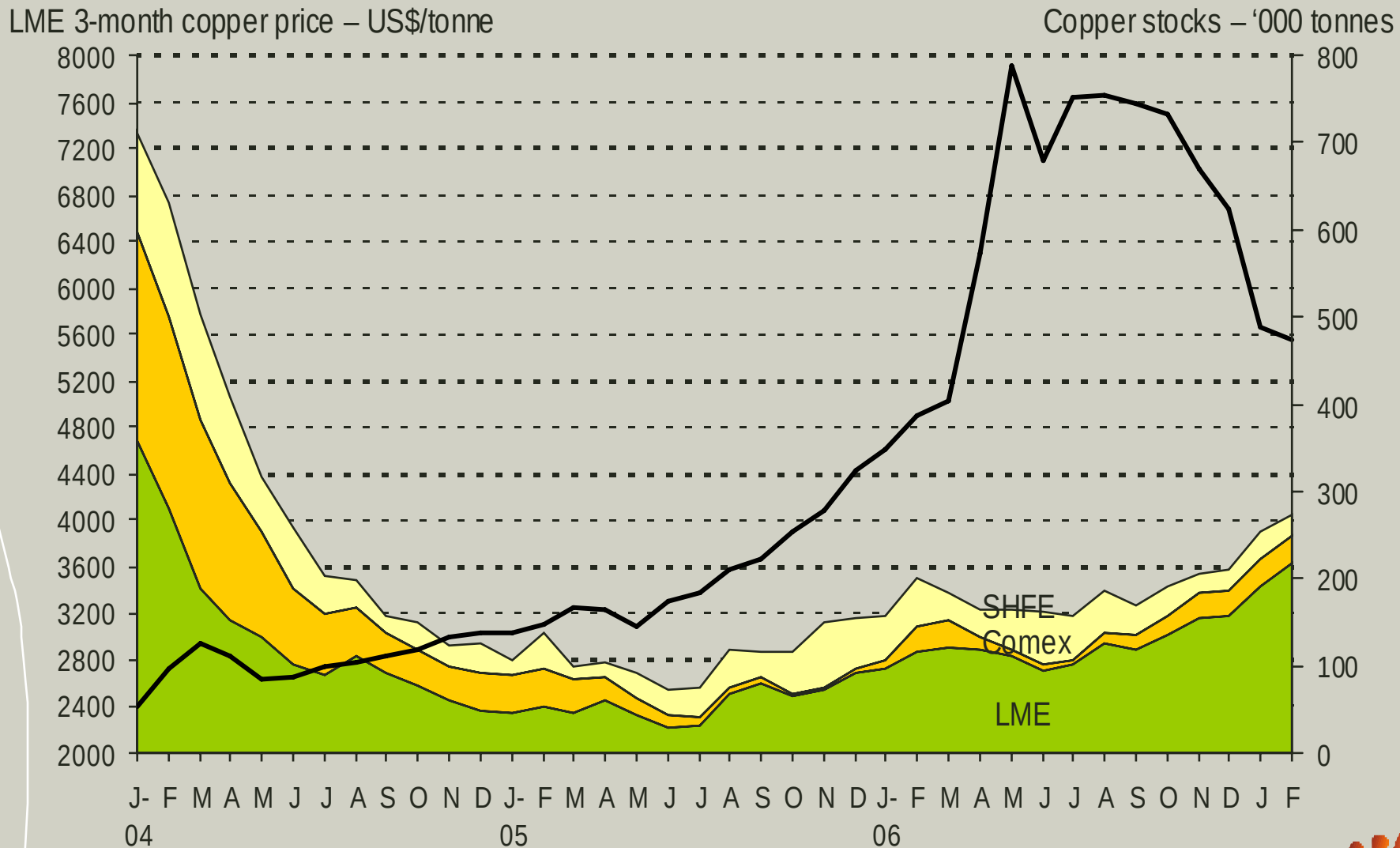


2007 mixed views, surplus beyond that



Data: CRU, BH

Exchange stocks of refined copper have risen from lows but are still at very low levels



Refined Copper Market Summary

- Market is moving from deficit to a modest surplus but remains very vulnerable to supply disruptions and problematic ramp-up of new production
- Current view is still very positive for refined demand
 - Growth in China, SE Asia, CIS, Middle East, India
 - World is becoming ever more electrified
- Scrap market now tight again as per 12-15 months ago, bare bright scrap trading a premium over the exchange prices again. Refiners forced to buy cathode instead as scrap supplies too tight.

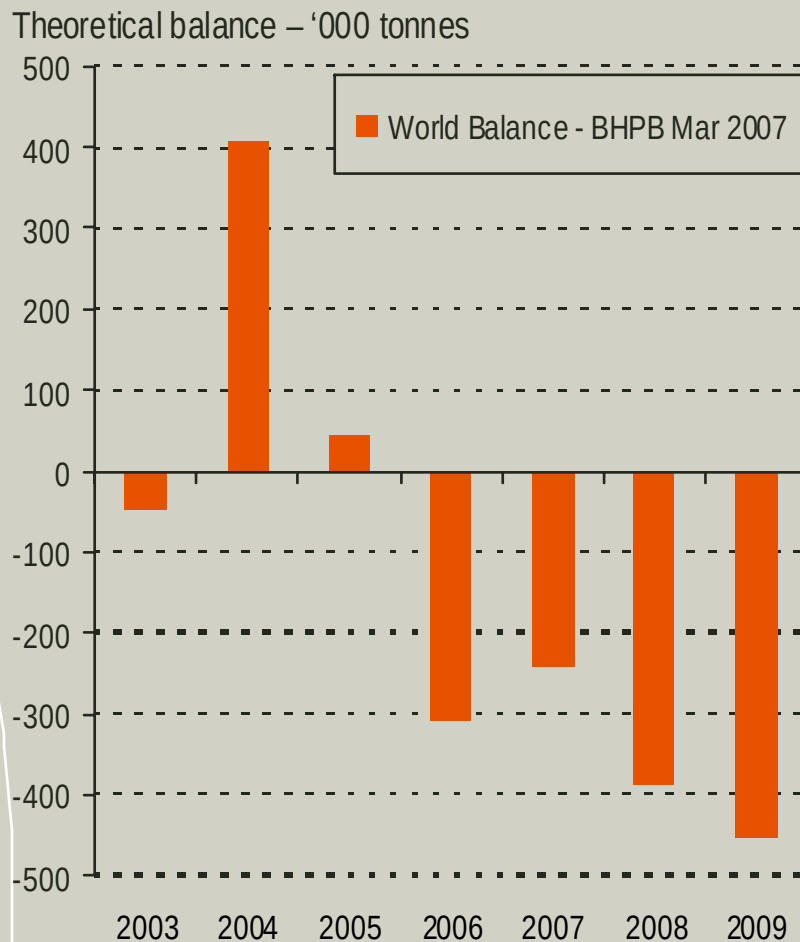
Base Metals

Copper Concentrate Market

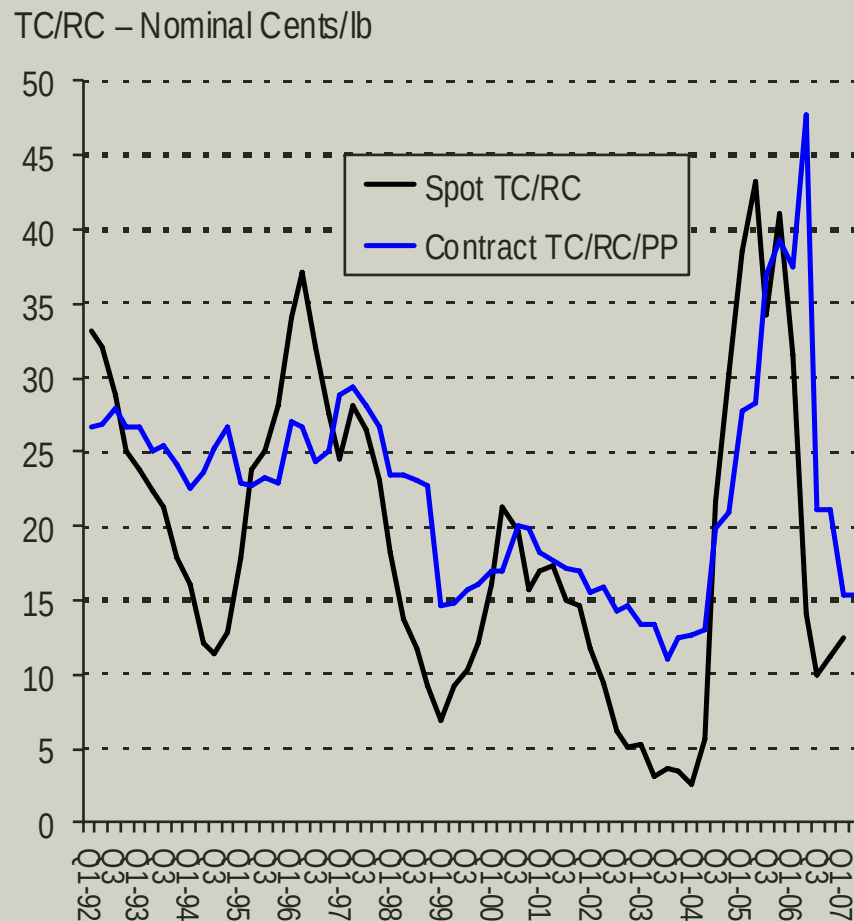


Contract terms have historically been less volatile than spot terms - current contracts reflect renewed tightness in the market

World Cu concentrate market gap



Quarterly average spot and contract TC/RCs



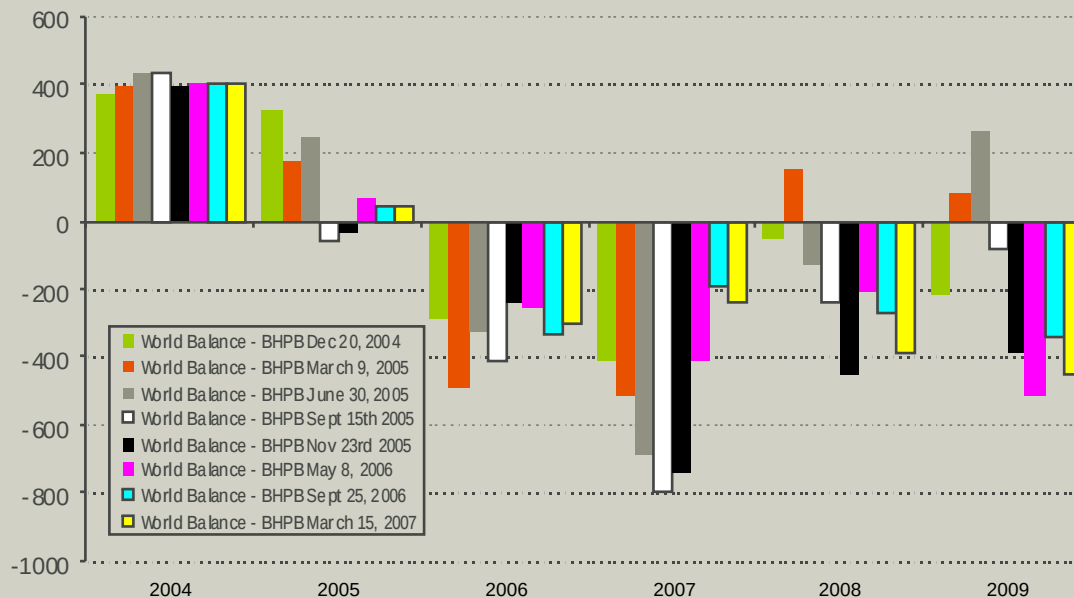
Note: Contract terms show annual and mid-year settlements. Mid-years in 2006 had capped PP and 2007 annuals do not have PP. Data: BHP Billiton, CRU, BH

Concentrate Update

- Structural smelting overcapacity due to recent significant expansions (China/India but others as well)
- Exacerbated by chronic mine underperformance
- 2004 and (to a lesser extent) 2005 were soft years for miners (TC/RC's) but the tables turned in 2006 and the next few years look very tight
- Commercial terms reflect this
 - CY06 - \$95/dmt and 9.5 c/lb with uncapped PP basis 90 cents
 - MY06/07 - \$60/dmt and 6 c/lb with PP capped at 6 c/lb (120-180 c/lb)
 - CY07 - \$60/dmt and 6 c/lb – no PP
 - MY07/08 – to be negotiated starting May 07
- At \$2.75/lb copper, the delta between CY06 and CY07 terms is almost 27 c/lb (at 34% Escondida grade)

Concentrate Update (continued)

- Theoretical concentrate deficit for the next two to three years is greater than what can practically transpire (insufficient stocks left to satisfy the deficit)
- But it continues to be a dynamic market ...



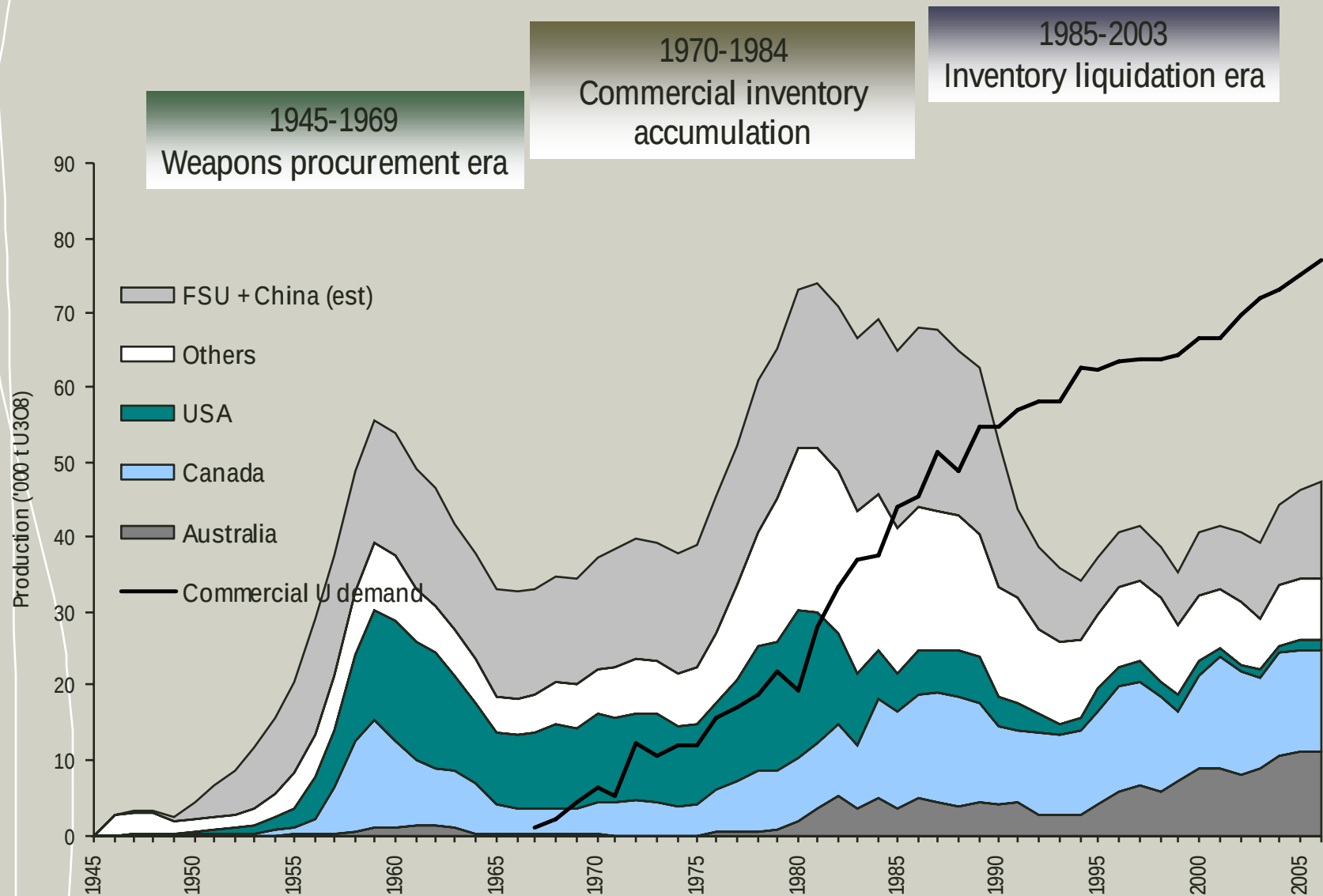
- We expect some volatility but upside to TC/RC's should be limited

Base Metals

Uranium Market

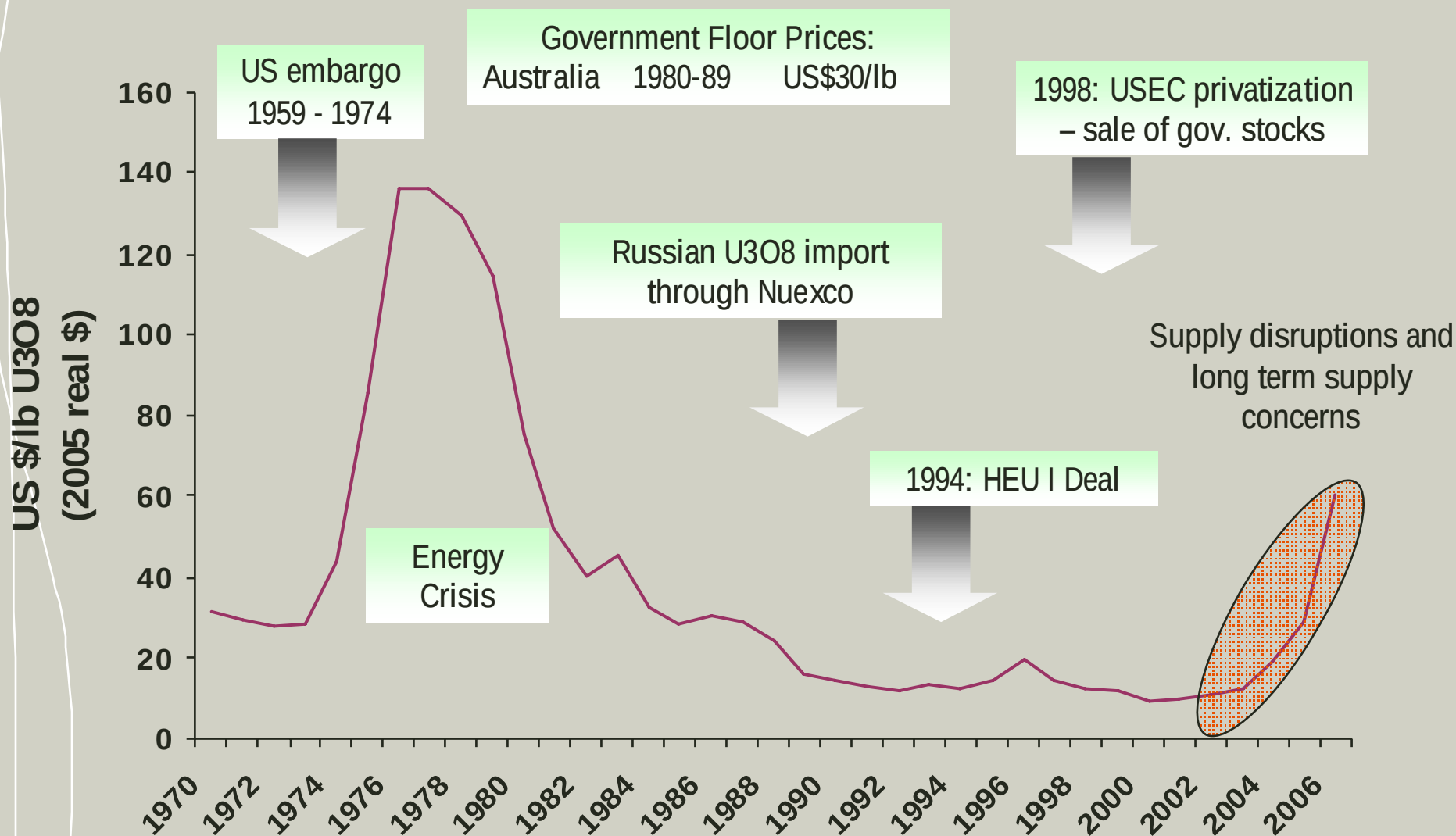


Supply and demand: historical look

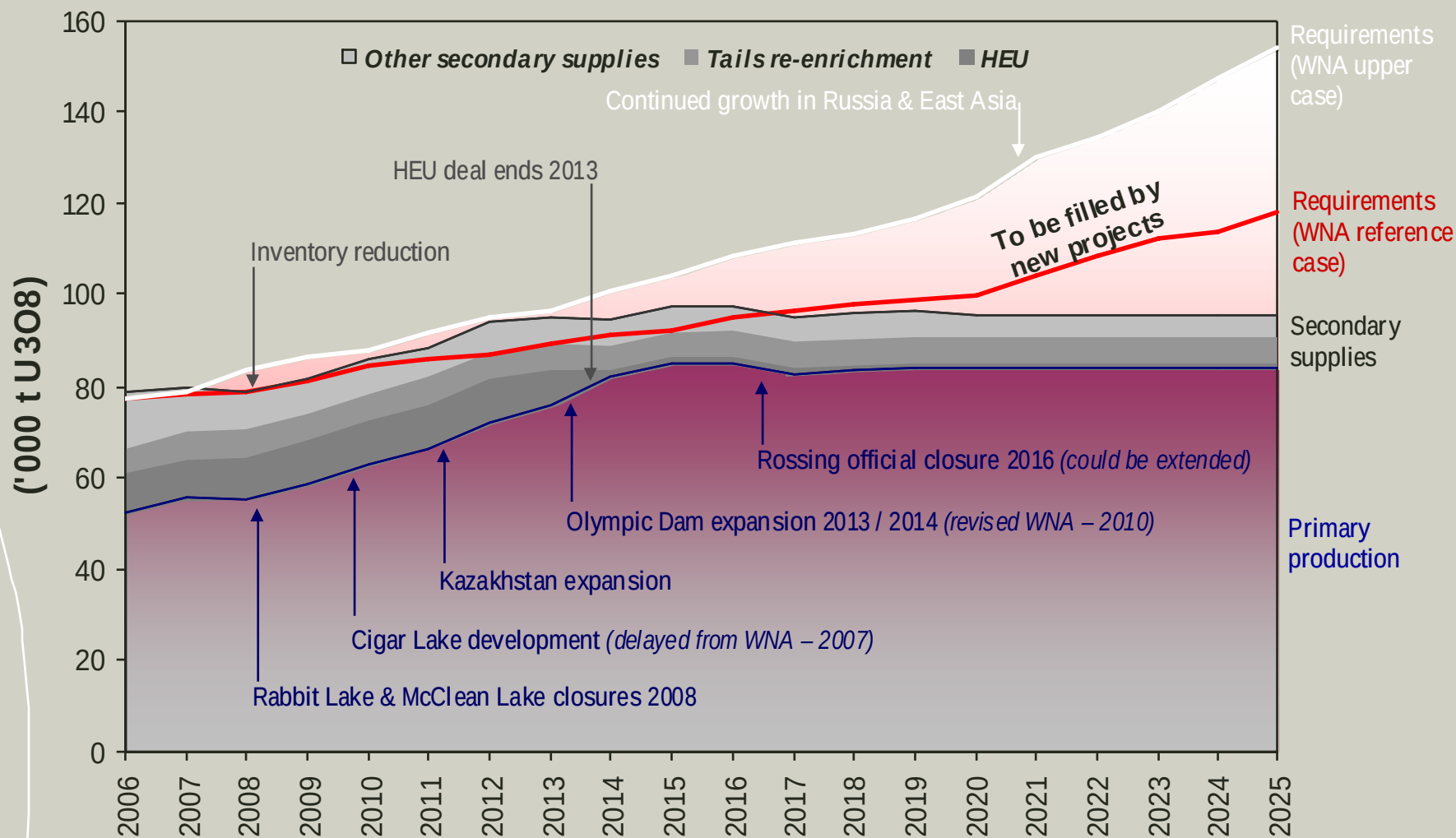


Source: WNA, UxC

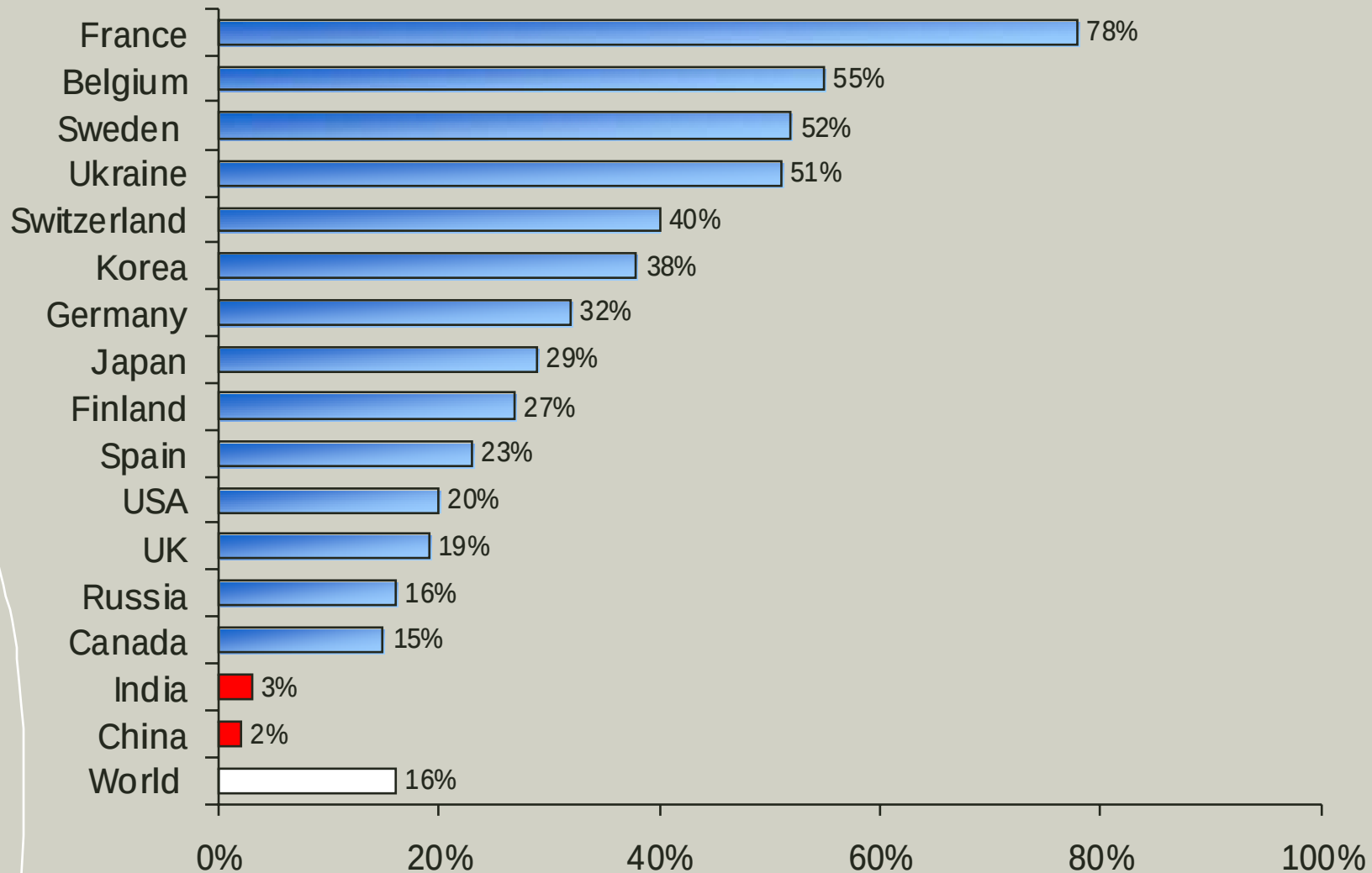
Uranium spot price: historical look



Supply and demand: outlook

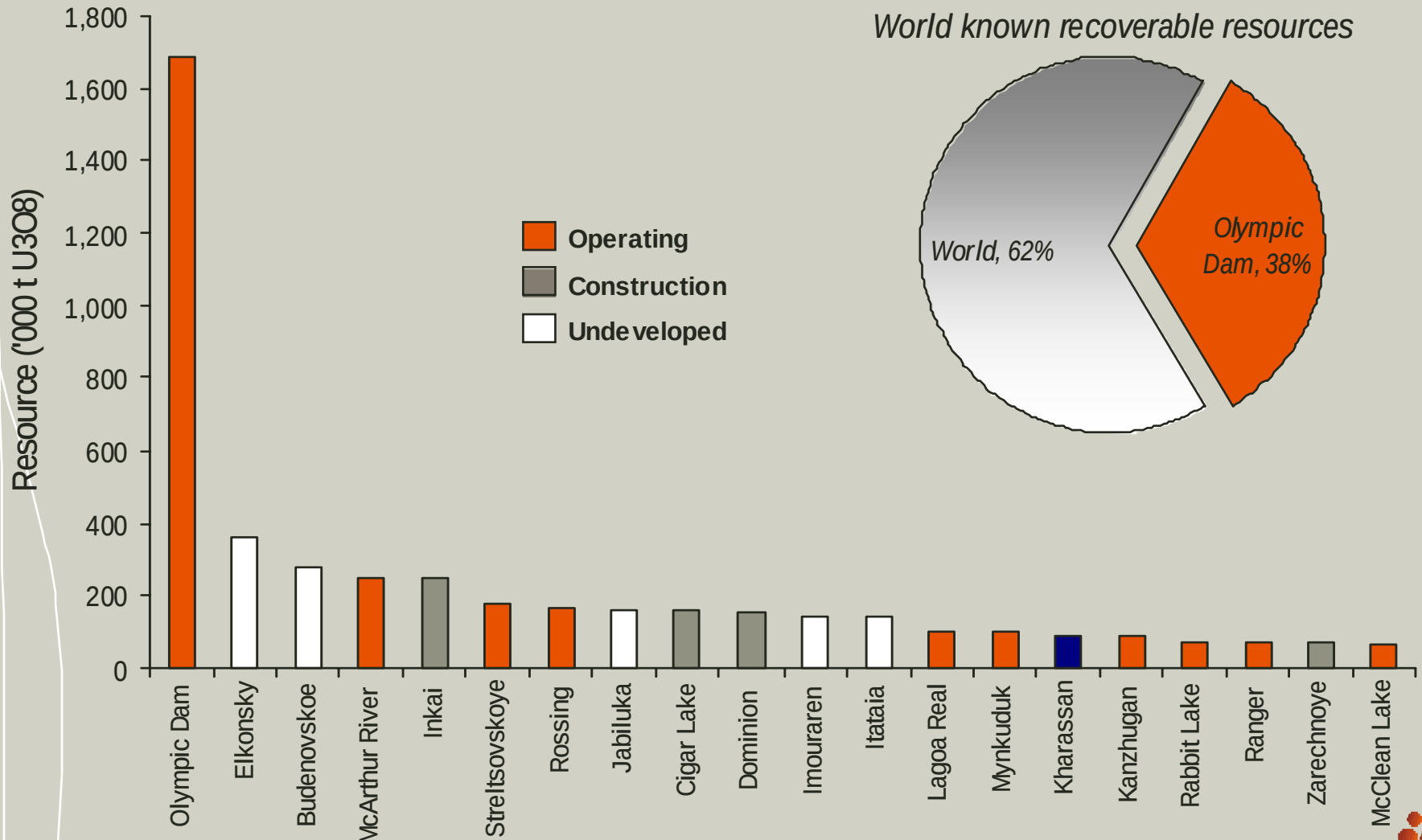


Nuclear plays an important role in supplying electricity to many industrialised countries



Olympic Dam will play a significant role fuelling the nuclear renaissance

Top 20 known uranium resources



Uranium market - summary

- Market remains tight in the near term:
 - Production delays have shifted some supply out farther
 - Demand is poised to grow with many countries embarking on massive nuclear expansion plans.
 - Many utilities are now buying uranium for their initial fuel cores putting additional strain on near term requirements
 - Security of supply concerns and new reactors build lead to increased inventory builds
- Term market is very active as utilities look to secure their forward uranium requirements
- Continued interest from hedge funds and investors
- Increased exploration activity worldwide especially in Australia, Canada and Kazakhstan
- Our current view of the uranium market remains positive