

NEWS RELEASE



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BHP BILLITON EXPLORATION AND DEVELOPMENT REPORT FOR THE QUARTER ENDED 31 DECEMBER 2010

This report covers the Group's exploration and development activities for the quarter ended 31 December 2010. Unless otherwise stated, BHP Billiton's interest in the projects referred to in this report is 100 per cent and references to project schedules are based on calendar years.

Development

During the December 2010 quarter, a further US\$570 million (BHP Billiton share) of capital expenditure was approved to underpin continued growth in Western Australia Iron Ore's production profile. The investment expands on BHP Billiton's earlier pre-commitment of US\$1.73 billion (BHP Billiton share) announced in January 2010 and will facilitate the ongoing development of port, rail and Jumblebar mine infrastructure.

Industry wide cost pressure is being experienced across a broad range of projects and reflects stronger producer currencies, particularly in Australia, and underlying inflation on raw material and labour costs.

Project And Ownership	Share Of Approved Capex US\$M	Initial Production Target Date	Production Capacity (100%)	Quarterly Progress
Petroleum Projects				
Macedon (Australia) 71.43% Gas	1,050	CY13	200 million cubic feet gas per day	On schedule and budget. Drilling campaign completed. The overall project is 14% complete.
Angostura Gas Phase II (Trinidad and Tobago) 45% Gas	180	H1 CY11	280 million cubic feet gas per day	On schedule and budget. Topsides installation completed. Hook-up and commissioning progressing. The overall project is 98% complete.

Project And Ownership	Share Of Approved Capex US\$M	Initial Production Target Date	Production Capacity (100%)	Quarterly Progress
Bass Strait Kipper (Australia) 32.5% - 50% Gas/Gas Liquids	900	CY12 ^(a)	10,000 bpd condensate and processing capacity of 80 million cubic feet gas per day	Schedule and budget review completed. Additional funding approved. First phase of drilling completed. Mercury encountered in reservoir with solution being managed separately. The overall project is 62% complete.
Bass Strait Turrum (Australia) 50% Gas/Gas Liquids	1,350	CY13	11,000 bpd condensate and processing capacity of 200 million cubic feet gas per day	Schedule and budget review completed. Additional funding approved. The overall project is 54% complete.
North West Shelf CWLH Life Extension (Australia) 16.67% Oil	245	CY11	Replacement vessel with capacity of 60,000 bpd oil	On schedule and budget. Floating Production Storage and Offtake (FPSO) conversion continues. The overall project is 85% complete.
North West Shelf North Rankin B Gas Compression (Australia) 16.67% LNG	850	CY12	2,500 million cubic feet gas per day	On schedule and budget. The overall project is 62% complete.
Minerals Projects				
Worsley Efficiency & Growth (Australia) 86% Alumina	1,900	H1 CY11	1.1 million tpa of additional alumina	On schedule. Budget is under review. Construction is 46% complete. The overall project is 59% complete.
Antamina Expansion (Peru) 33.75% Copper	435	Q4 CY11	Increases ore processing capacity to 130,000 tpd	On schedule and budget. Engineering is 91% complete. Construction is 32% complete. The overall project is 40% complete.
Iron Ore (Western Australia) RGP5 85% Iron Ore	4,800	H2 CY11	50 million tpa additional iron ore system capacity	Engineering is 99% complete. Construction is 89% complete. The overall project is 90% complete, based on original scope. The scope of the iron ore development sequence continues to be reviewed.

Project And Ownership	Share Of Approved Capex US\$M	Initial Production Target Date	Production Capacity (100%)	Quarterly Progress
MAC20 Project (Australia) 100% Energy Coal	260	H1 CY11	Increases saleable thermal coal production by approximately 3.5 million tpa	First production achieved ahead of schedule in October 2010. Ramp up underway. The overall project is 97% complete.

(a) Facilities ready for first production pending resolution of mercury content.

Minerals Exploration

Grassroots exploration continued on copper targets in Chile and Zambia; nickel and copper targets in Australia; manganese targets in Gabon; and diamond targets in Canada. Exploration for iron ore, coal, bauxite, potash and manganese was undertaken in a number of regions including Australia, Canada, South America and Africa.

For the half year ended 31 December 2010, BHP Billiton spent US\$279 million on minerals exploration, of which US\$228 million was expensed.

Petroleum Exploration

Exploration and appraisal wells drilled during the quarter or in the process of drilling as at 31 December 2010.

Well	Location	BHP Billiton Equity	Status
Deep Blue-1	Green Canyon Gulf of Mexico GC 723	31.875% (Noble operator)	Temporarily suspended Hydrocarbons encountered
SE Longtom-1	Gippsland Basin Australia VIC/RL09	50% (Exxon operator)	Plugged & abandoned Hydrocarbons encountered
Yellowfin-1	Gippsland Basin Australia VIC/RL6	50% (Exxon operator)	Plugged & abandoned Dry hole

Petroleum exploration expenditure for the half year ended 31 December 2010 was US\$173 million, of which US\$135 million was expensed.

Further information on BHP Billiton can be found on our Internet site: www.bhpbilliton.com

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