



Iron ore and coal Investing in high quality growth

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resourcing the future

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Exploration Results, Mineral Resources and Ore Reserves

This presentation includes information on Exploration Results, Mineral Resources and Ore Reserves, which is based on information prepared by the relevant Competent Persons as named in the 2010 Annual Report, and reported under the ‘Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves’ (the JORC Code). The Competent Persons for Exploration Results are J. Knight (Western Australia Iron Ore – MAIG), A. Paul (Queensland Coal – MAusIMM), D. Dunn (Queensland Coal – MAusIMM) and P. Grey (Hunter Valley Energy Coal – FAusIMM). The Competent Persons verify that this report is based on and fairly reflects the information in the supporting documentation and agree with the form and context of the Exploration Results, Mineral Resources and Ore Reserves presented. The Competent Persons are full time employees of BHP Billiton and have the required qualifications and experience to estimate and report Exploration Results, Mineral Resources and Ore Reserves under the JORC Code. The relevant details of the Competent Persons can be found at: www.bhpbilliton.com.

No Offer of Securities

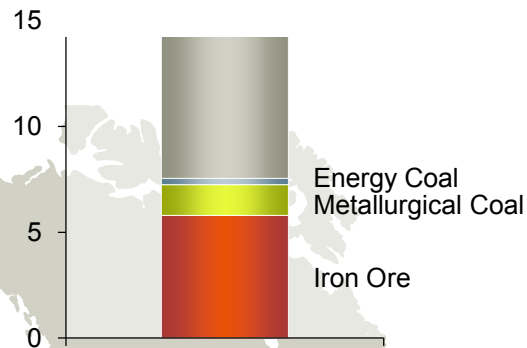
Nothing in this presentation should be construed as either an offer to sell or a solicitation of an offer to buy or sell BHP Billiton securities in any jurisdiction.

Non-GAAP Financial Information

BHP Billiton results are reported under International Financial Reporting Standards (IFRS). References to Underlying EBIT and EBITDA exclude any exceptional items. A reconciliation to statutory EBIT is contained within the profit announcement, available at our website www.bhpbilliton.com.

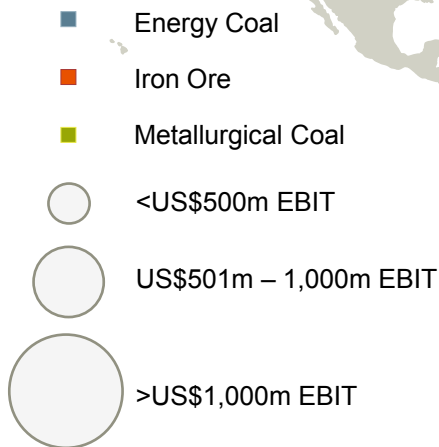
Iron ore and coal – our global operations

Underlying EBIT
(H1 FY11, US\$ billion)



Underlying EBIT¹
(H1 FY11)

	EBIT	Margin	ROA
Western Australia Iron Ore	US\$5.3 billion	64%	48%
Queensland Coal	US\$1.3 billion	39%	38%
Hunter Valley Energy Coal	US\$0.2 billion	27%	12%



1. Excludes third party trading.

Investing in our Tier 1 businesses

Western Australia Iron Ore

- **Scope:** Develop capacity in excess of 220mtpa with debottlenecking opportunities to 240mtpa
- **Cost:** US\$6.6 billion (BHP Billiton share), excluding US\$2.3 billion in pre-approval funding
- **Initial production date:** Q1 CY14 (Jimblebar)

Queensland Coal

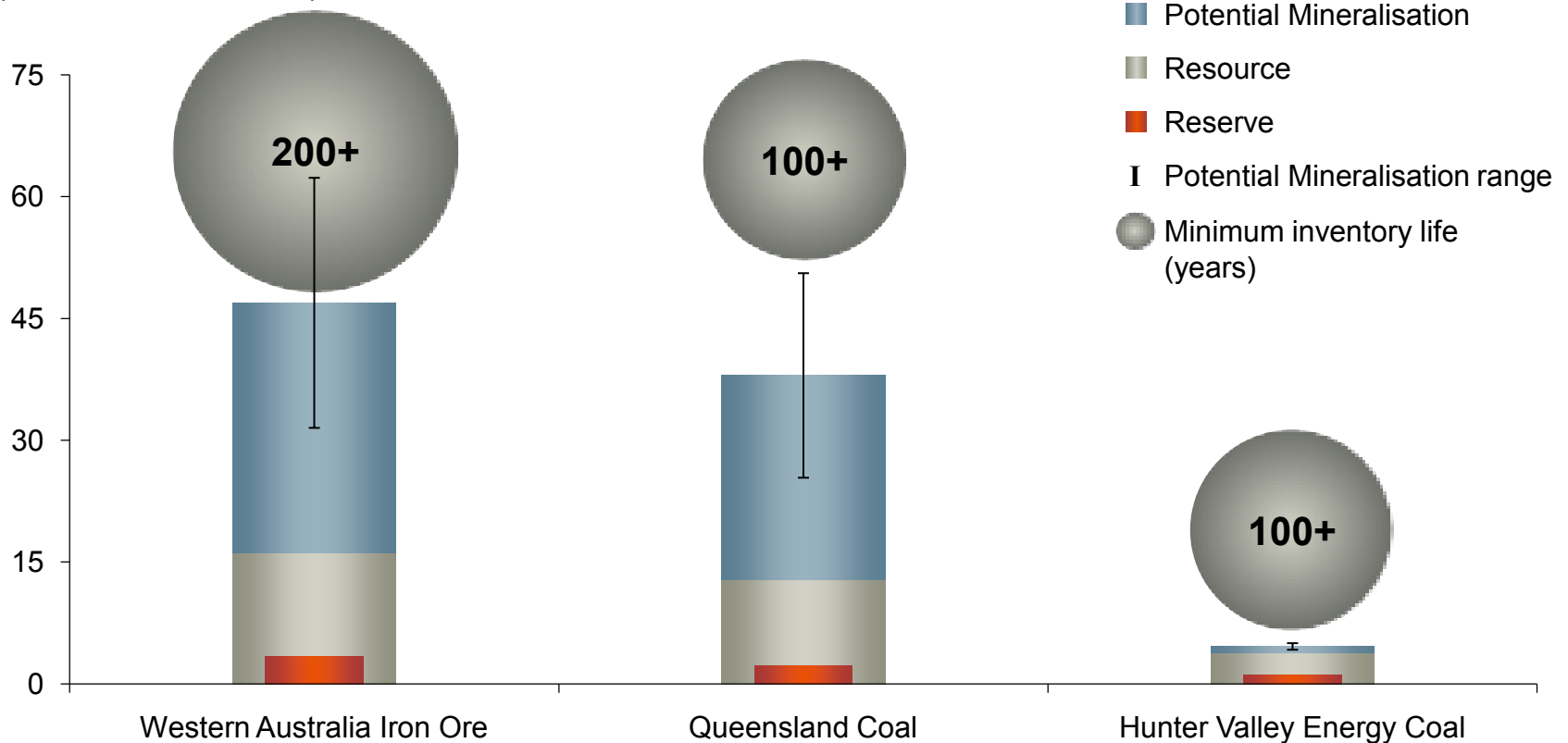
- **Scope:** 4.9mtpa mine and 11mtpa port expansion including risk mitigation
- **Cost:** US\$2.5 billion (BHP Billiton share), excluding US\$0.2 billion in pre-approval funding
- **Initial production date:** CY13 (Daunia)

Hunter Valley Energy Coal

- **Scope:** 4mtpa run-of-mine expansion at Mt Arthur Coal
- **Cost:** US\$0.4 billion (100% BHP Billiton)
- **Initial production date:** H2 CY13

Large resources underpin significant growth

Reserves, Resources and Potential Mineralisation (FY10, billion tonnes)

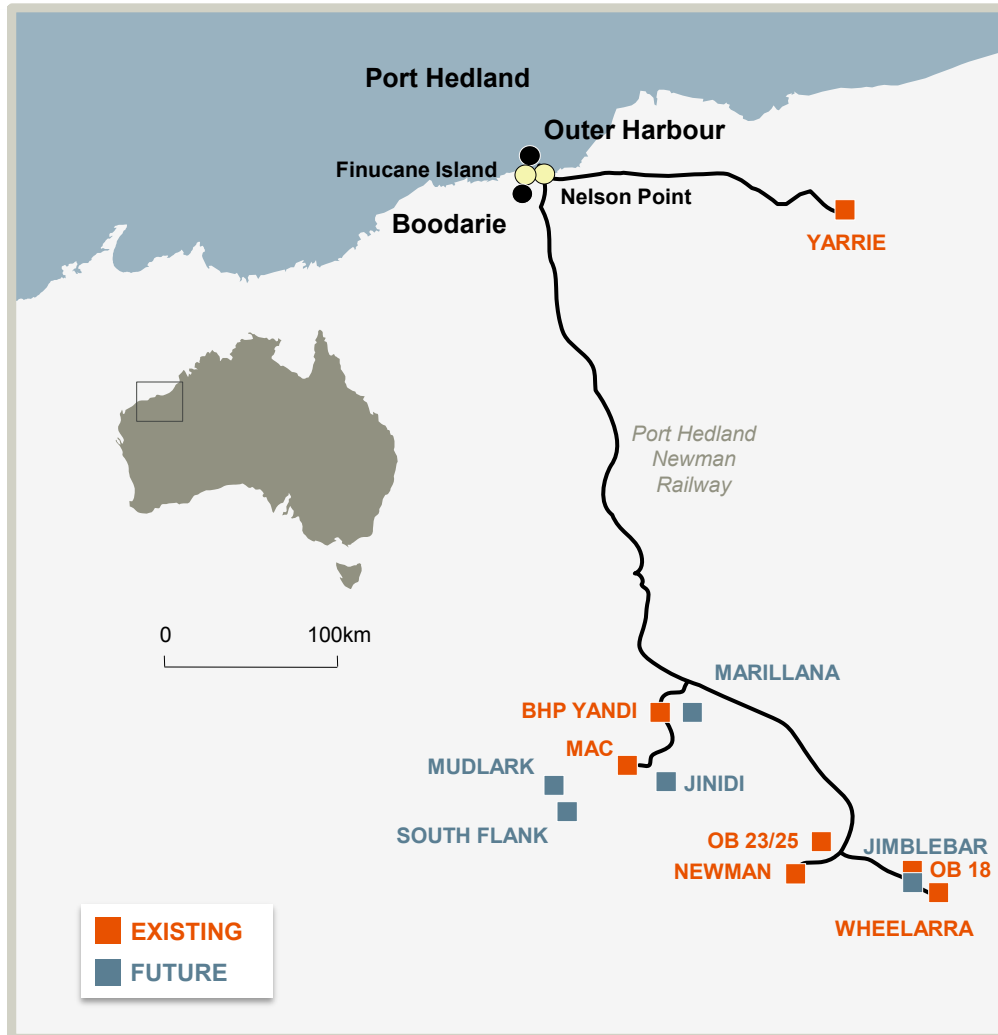


Potential Mineralisation, Mineral Resources and Ore Reserves are stated on a 100% basis. The detailed breakdown of Resources and Reserves are shown in the FY10 Annual Report.

Potential Mineralisation (Exploration Targets) is estimated from geological information including boreholes, outcrops and geophysical information, and is shown as a range (black bars). The potential quantity is conceptual in nature, there has been insufficient exploration to define a Mineral Resource and it is uncertain if further exploration will result in the determination of a Mineral Resource. It should not be expected that the quality of the Potential Mineralisation is equivalent to the Resource.

Realistic global mining and processing conversion factors have been used for each asset to determine the minimum inventory life, based on FY10 production. In Basins (Pilbara, Bowen) the life of individual mines may be more or less than the number stated above.

Western Australia Iron Ore



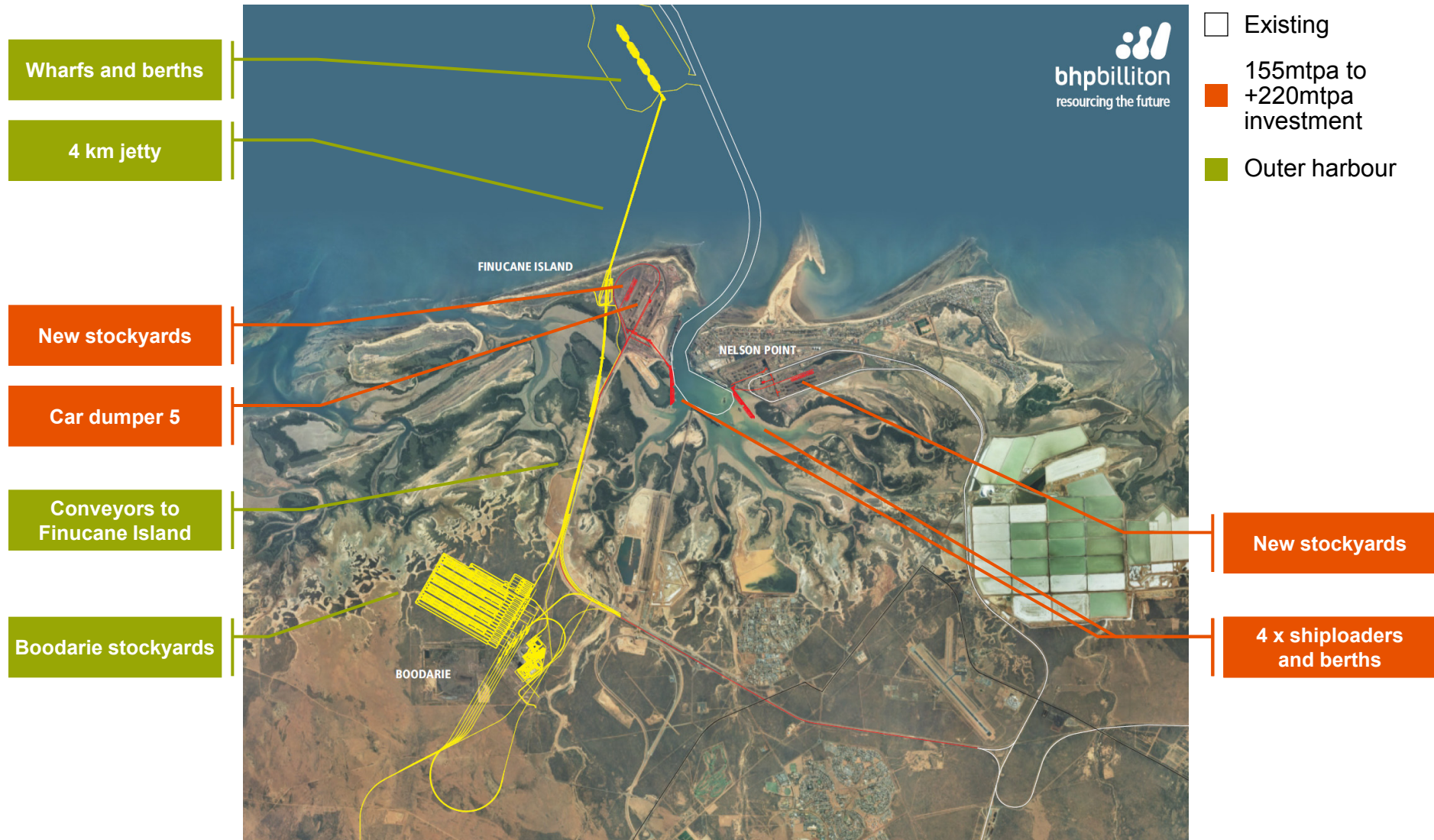
■ Western Australia Iron Ore (WAIO)

- Integrated system of seven mines
- More than 1,000 kilometres of rail infrastructure
- Expandable port facilities

■ Increasing capacity to +220mtpa

- Debottlenecking opportunities to 240mtpa for incremental capital investment
- Future options for significant expansion beyond the inner harbour

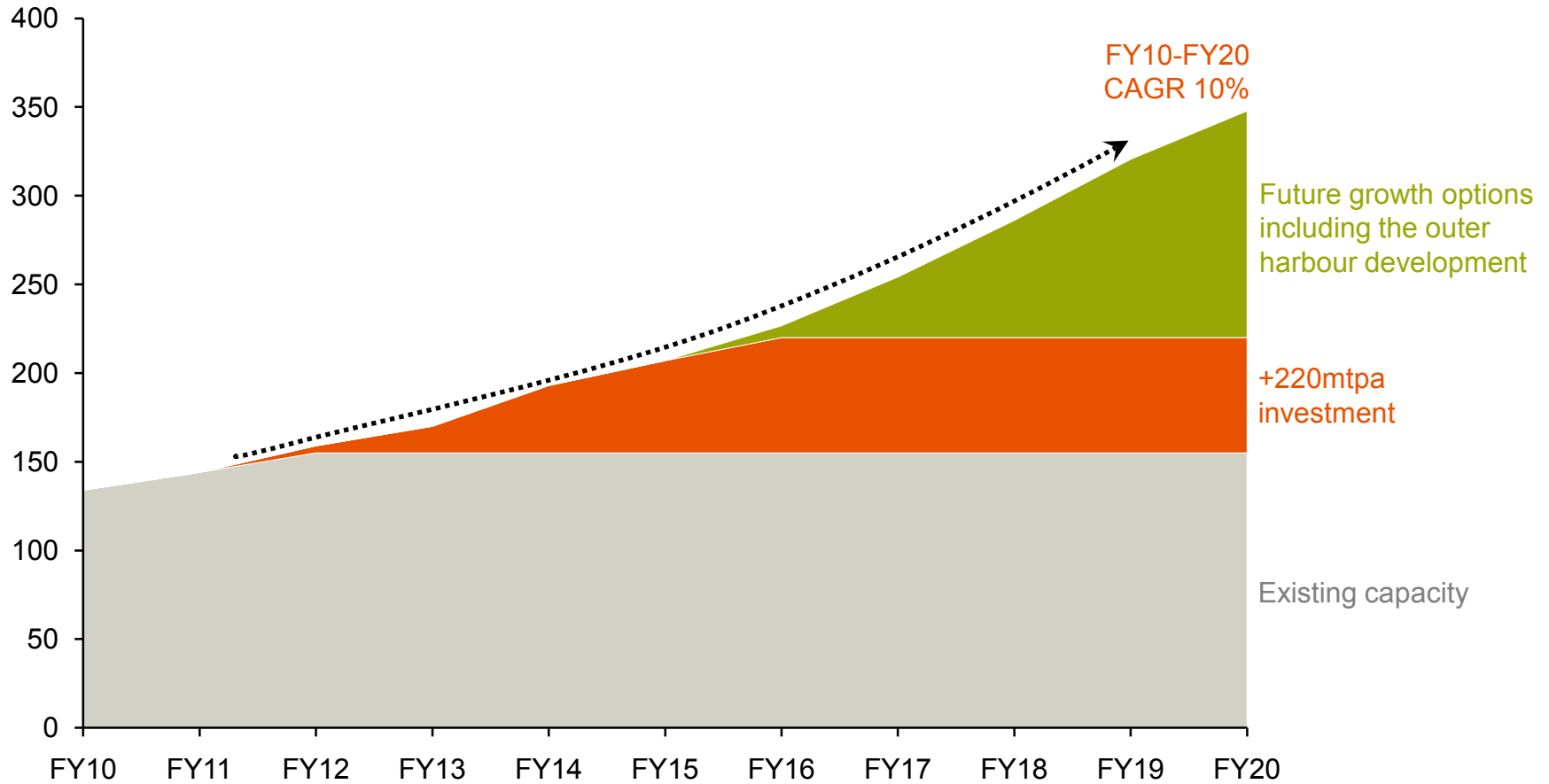
Investing in our export infrastructure



Well positioned to accelerate WAIO production growth

WAIO production profile

(mtpa, 100%)

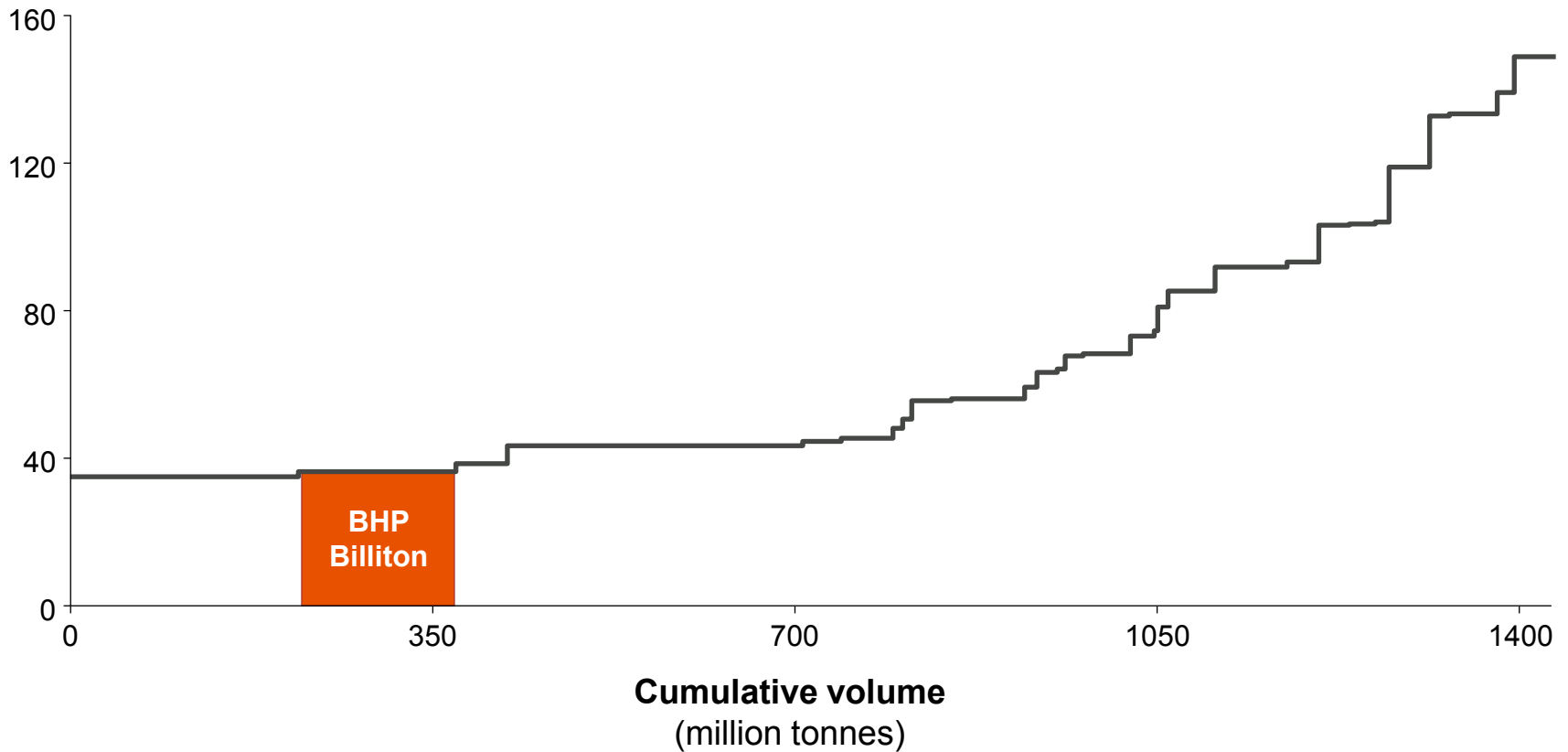


Source: BHP Billiton analysis.

Note: All studies and estimated capacity remain under review until they are approved for execution.

Ideally positioned on the cost curve

Cost curve for iron ore fines (US\$ per tonne CIF China)

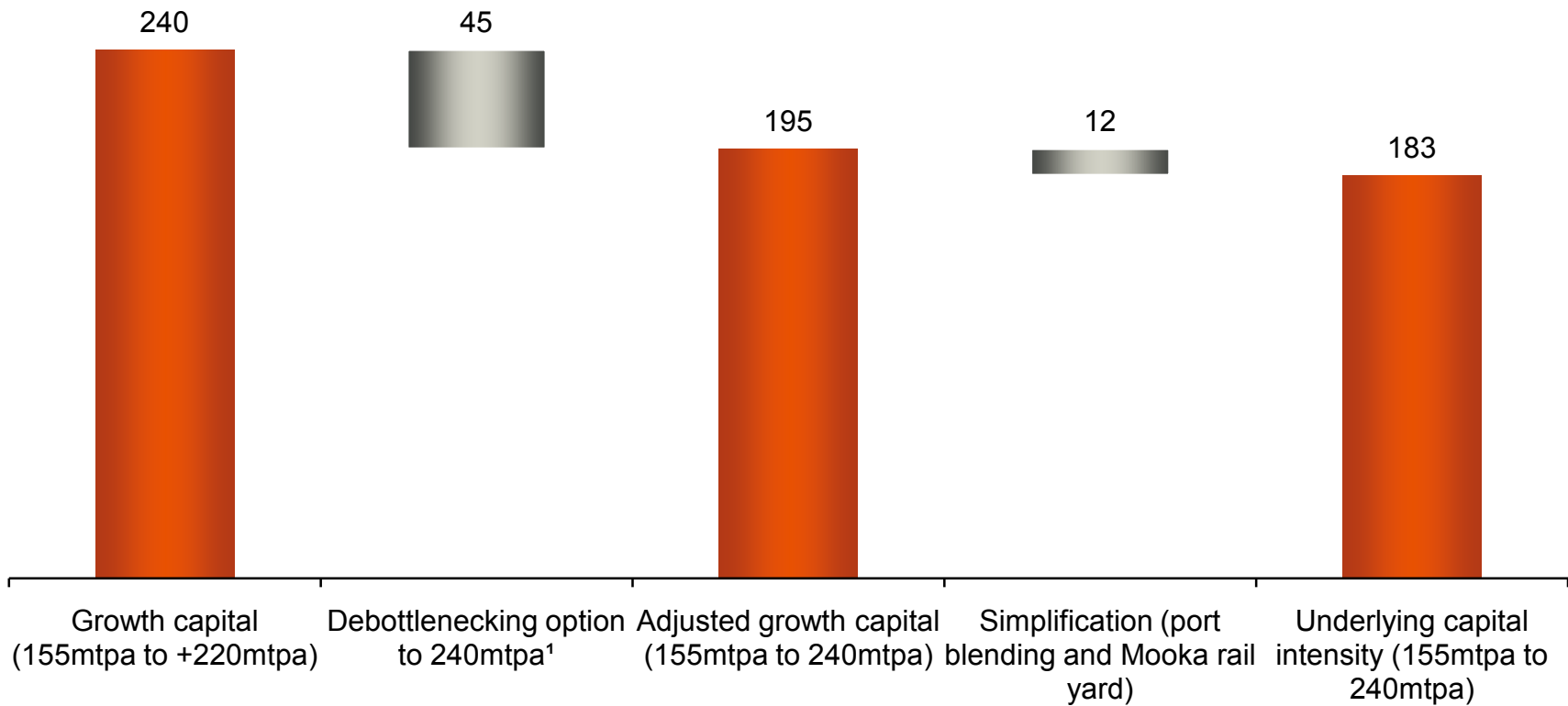


Source: Macquarie Research, March 2011.

Industry wide capital cost inflation

BHP Billiton is not immune to that trend

Indicative capital intensity – WAIO
(US\$ per annual tonne)



1. Debottlenecking refers to capacity gains at Jimblebar and Port Hedland for incremental capital investment (of ~US\$1 billion).

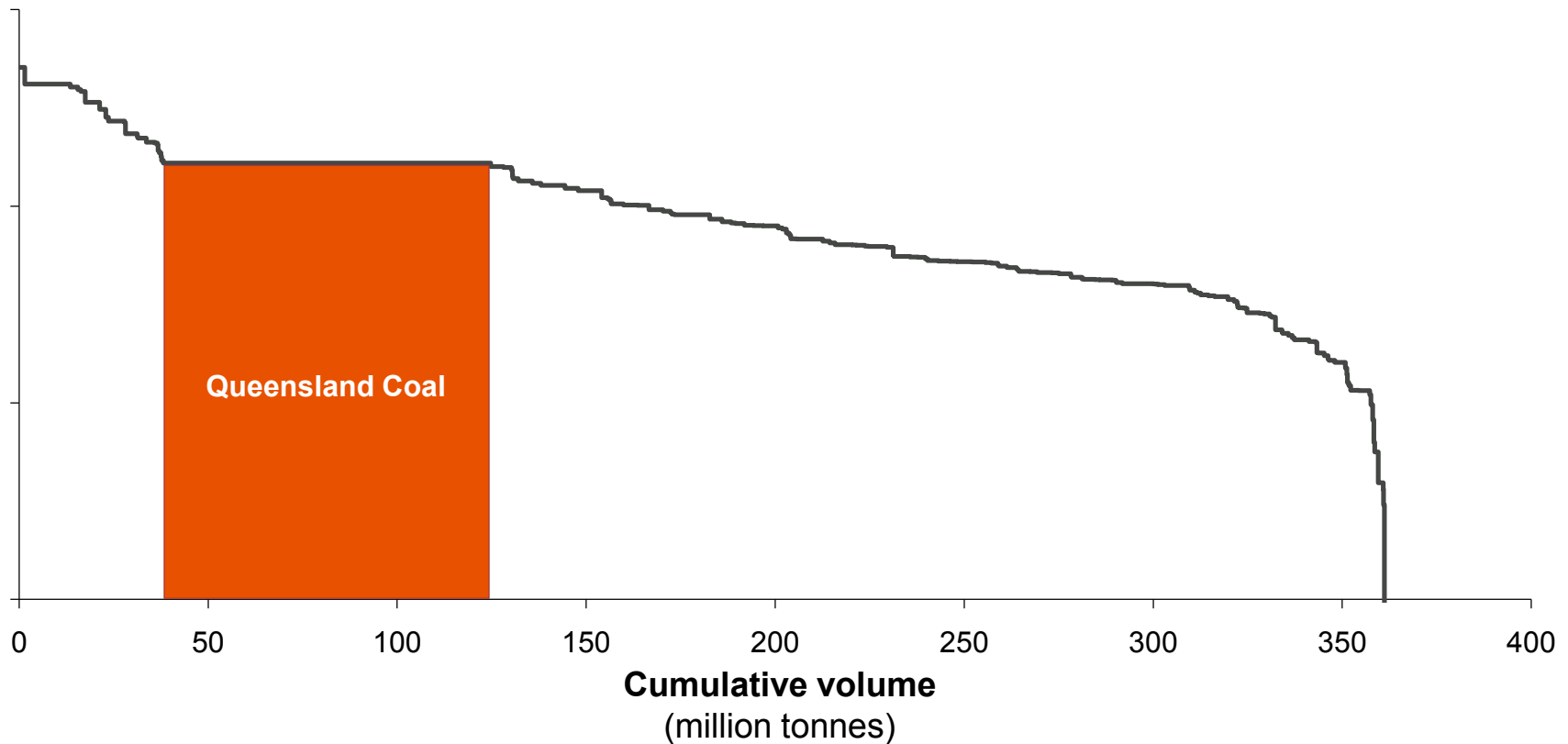
Queensland Coal



- **BHP Billiton Mitsubishi Alliance (BMA)**
 - BHP Billiton (50 per cent)
 - Mitsubishi Development Pty Ltd (50 per cent)
 - The world's largest exporter of seaborne metallurgical coal
- **BHP Mitsui Coal (BMC)**
 - BHP Billiton (80 per cent)
 - Mitsui and Co. Limited (20 per cent)
- **Hay Point Coal Terminal wholly owned by BMA**
 - Expansion from 44mtpa to 55mtpa
- **Future development options at Abbot Point (X80)**

The premier metallurgical coal business

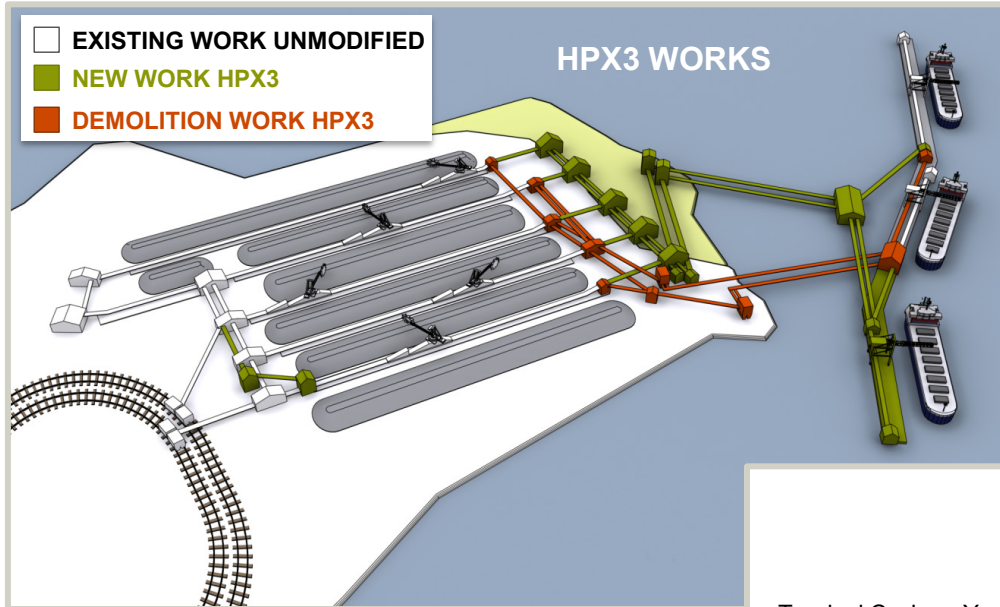
Seaborne metallurgical coal producer operating margin (2016, US\$ per tonne FOB)



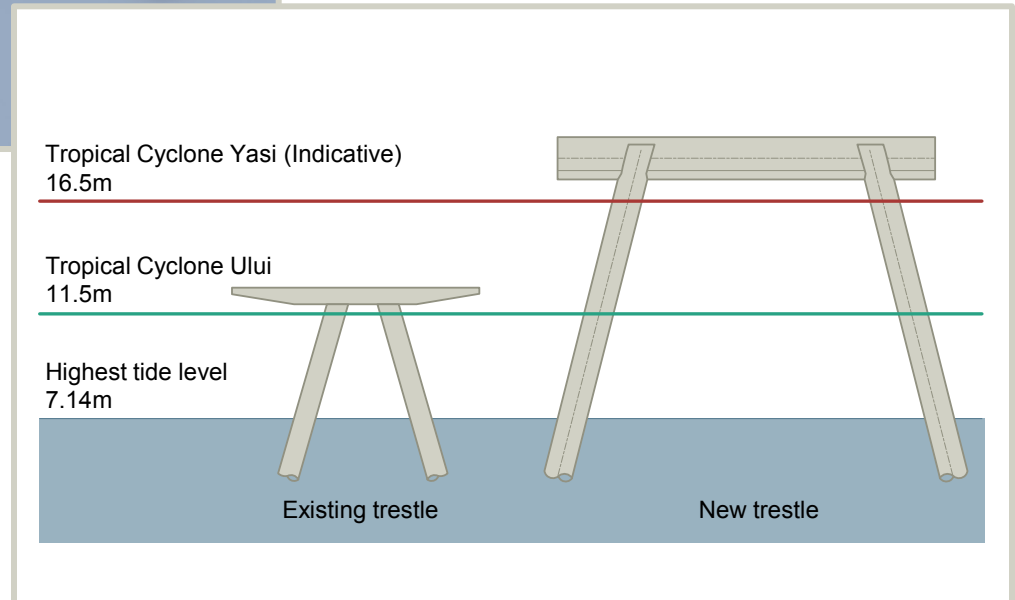
Source: Wood Mackenzie November 2010 Cost Data and BHP Billiton analysis.

Note: Queensland Coal based on internal production profile at weighted average Wood Mackenzie operating margin for Queensland Coal assets. Metallurgical coal prices used (real): US\$200/t (HCC), US\$150/t (WCC), US\$90/t (Thermal). Exchange rates: A\$/US\$ 1.30, C\$/US\$ 1.04, CNY/US\$ 5.2, BWP/US\$ 7.2, R/US\$ 8, NZ\$/US\$ 1.65, RBL/US\$ 27.5, VND/US\$ 23,170.

Hay Point – a strategic asset for the long term

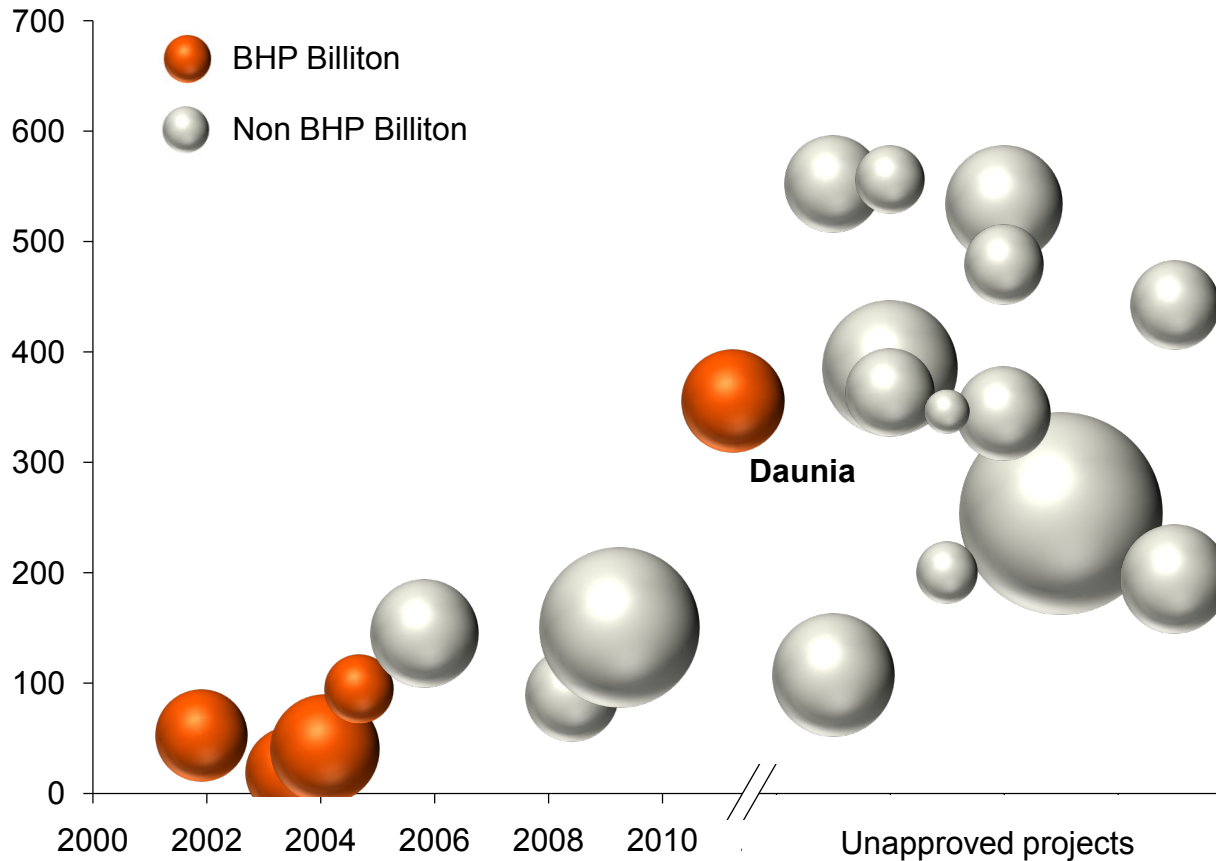


- Expansion from 44mtpa to 55mtpa
- Modification of existing infrastructure to mitigate risk
- Scheduled for completion in CY14
- Options for future expansion



Industry wide capital cost inflation BHP Billiton is not immune to that trend

Capital intensity – metallurgical coal (US\$ per annual tonne)



- Brownfield expansion options at the start of the decade delivered 'cheaper' tonnes
- Capital cost inflation is evident across the industry
- BHP Billiton is well positioned with its multi-decade coking coal resource, high margin product and strategic export infrastructure

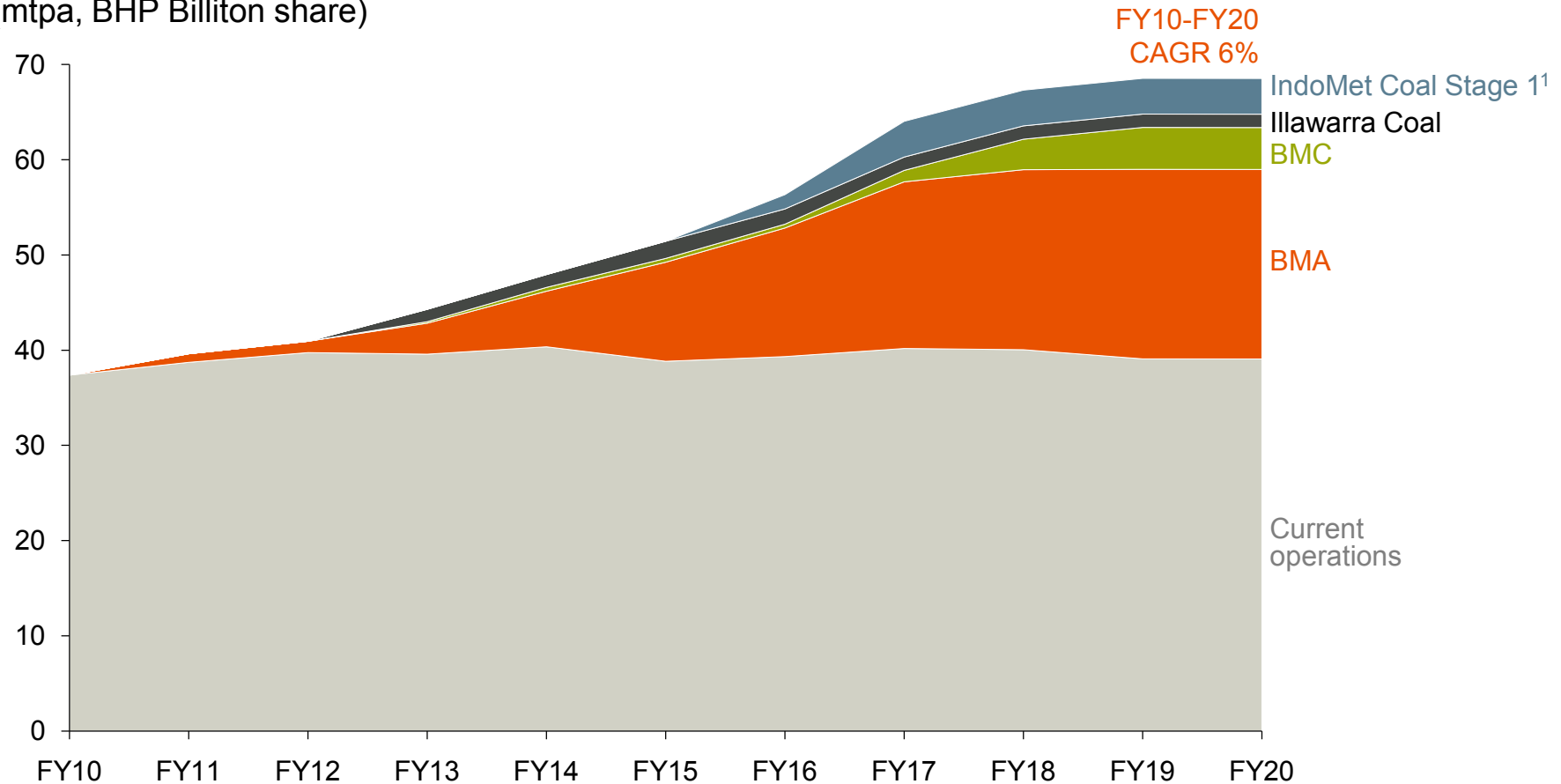
Source: Company announcements and BHP Billiton analysis.

Note: Bubble size represents annual production capacity. Placement of unapproved projects not indicative of timing.

Numerous options for growth

Metallurgical Coal production profile

(mtpa, BHP Billiton share)



1. IndoMet Coal Stage 1 conceptual development, excludes growth beyond Stage 1.

Note: All studies and estimated capacity remain under review until they are approved for execution.

Investing in high quality growth

- BHP Billiton's large, low cost resource basins in Iron Ore, Metallurgical Coal and Energy Coal can support multiple major expansions
- Capital cost inflation is an industry wide trend and consistently lags the commodity price cycle – BHP Billiton has taken a prudent approach to cost escalation
- Our strategy in Western Australia Iron Ore is to maximise capacity in the inner harbour while accelerating development of the outer harbour
- Our strategy in Queensland Coal is to rapidly grow production from our large, high quality resource by leveraging our valuable infrastructure
- Our strategy in Energy Coal is to grow Hunter Valley Energy Coal to match its Newcastle port allocation



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