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8 March 2016

To: Australian Securities Exchange
London Stock Exchange

cc: New York Stock Exchange
JSE Limited

GLOBAL IRON ORE AND STEEL FORECAST CONFERENCE

BHP Billiton Asset President, Western Australia Iron Ore, Edgar Basto, will present at the Global Iron Ore and Steel Forecast Conference, in Perth, Western Australia today.

A copy of the presentation is attached.

Further information on BHP Billiton can be found at www.bhpbilliton.com.

A handwritten signature in black ink, appearing to read "R. Agnew".

Rachel Agnew
Company Secretary

BHP Billiton Limited ABN 49 004 028 077
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Registered Office: Level 18, 171 Collins Street Melbourne Victoria 3000

BHP Billiton Plc Registration number 3196209
Registered in England and Wales
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The BHP Billiton Group is headquartered in Australia

NEWS RELEASE

Release Time IMMEDIATE
Date 8 March 2016
Release Number 9/16

BUILDING ON PRODUCTIVITY LEADERSHIP AND A STRONG ASSET BASE

BHP Billiton is meeting the challenges of the global iron ore market through a focus on productivity and a “relentless pursuit of the basics” in its Western Australia Iron Ore (WAIO) operations.

In a key note address at this year’s Global Iron Ore and Steel Forecast Conference, Asset President WAIO, Edgar Basto, spoke to the global market dynamics affecting one of Australia’s most important exports.

“Following a decade of strong growth driven by fixed assets investments, the Chinese economy is transitioning to a more consumer and services based model, with future growth likely to be inherently less steel intensive,” he said.

“The Chinese Government’s steel industry restructure plans will take time to implement but it’s important to note a reduction in excess capacity will mean improved sustainability of the industry and our customers are likely to benefit from any consolidation.”

Mr Basto reiterated that the mining industry would need to continue to meet the challenges of a lower price environment through productivity.

“Our structured approach to safely increasing the availability, utilisation and rate of our existing infrastructure will support continued productivity improvements at WAIO,” he said.

“We continue to increase our productivity in Port and Rail as we approach our targeted run rate of approximately 270 million tonnes per annum.

“This has been achieved through a range of measures such as the optimisation of our pit-to-port scheduling strategy and alignment of maintenance shutdowns across our mines, port and track.”

Mr Basto said BHP Billiton’s new Operating Model would also support safe delivery of further productivity gains from WAIO’s Tier 1 asset base in the Pilbara.

“Our productivity drive has supported an EBITDA margin of over 50 per cent at WAIO despite the iron ore price halving since 2012,” he said.

"Through the new Operating Model we will deliver faster replication of leading practices and improved technologies across all of BHP Billiton's global operations as well as a major reduction in the costs of our functions."

Mr Basto reinforced the Company's commitment to Western Australia and its local communities.

“WAIO remains a strong supporter of the communities in which we operate, having committed A\$300 million over the past five years to health, education and Indigenous development programs and community infrastructure.

“We are proud of the contribution we have made, and continue to make in WA. Despite the challenging market conditions faced by the industry, BHP Billiton is unwavering in its commitment to the State and our local communities.”

Further information on BHP Billiton can be found at: **bhpbilliton.com**

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Global Iron Ore & Steel Forecast Conference

Edgar Basto

Asset President Western Australia Iron Ore

8 March 2016



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“We are in this for the long term and will continue to work with Vale and the people of Samarco to make sure there is a strong future for the region.”

Andrew Mackenzie, BHP Billiton CEO

Key themes

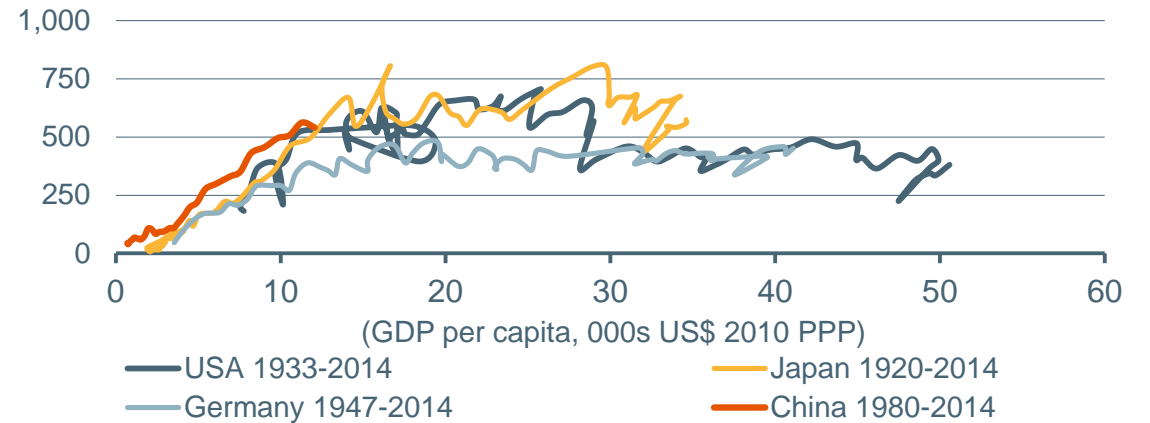
- The health and safety of our people and the communities in which we operate always come first
- China's steel demand growth slowing as the country transitions to the next phase of development
- The cost curve will continue to flatten in the medium-term as low-cost supply exceeds demand growth
- Our Tier 1 assets support high-margin operations and will continue to deliver strong returns
- BHP Billiton's simplified operating model will expedite significant savings

Short-term market outlook remains challenging

- Steel demand growth in China will remain weak in the short term
 - current cyclical downturn primarily driven by an oversupplied property market
 - Chinese steel demand becoming more variable as the country transitions to the next stage of development
- Supply structure to evolve as committed growth comes to market and high cost producers are displaced
 - high-cost private Chinese mines have responded to the sharp price reduction
 - additional low-cost seaborne supply continues to ramp up

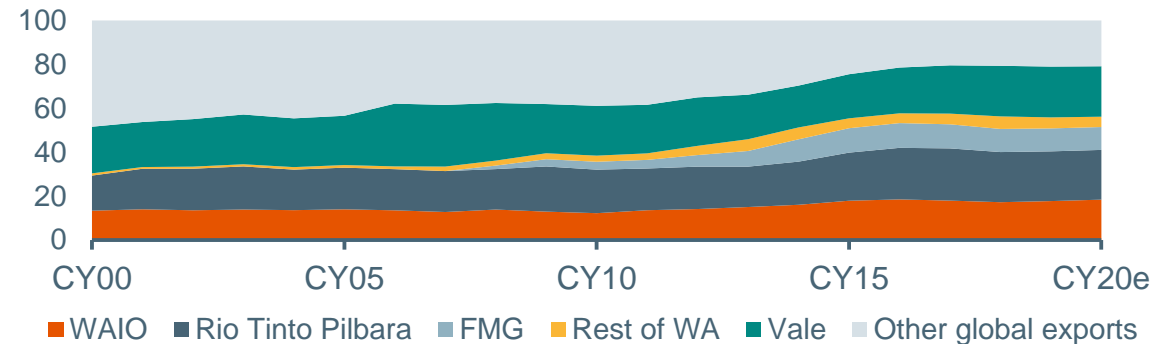
Steel intensity per capita

(kg crude steel per capita, per annum)



Iron ore export share¹

(%)



Source: World Steel Association, Wood Mackenzie 2015, BHP Billiton.

1. All iron ore products including lump, fines, pellet feed and pellets. BHP Billiton and Vale data excludes Samarco.

Edgar Basto, Asset President Western Australia Iron Ore

8 March 2016

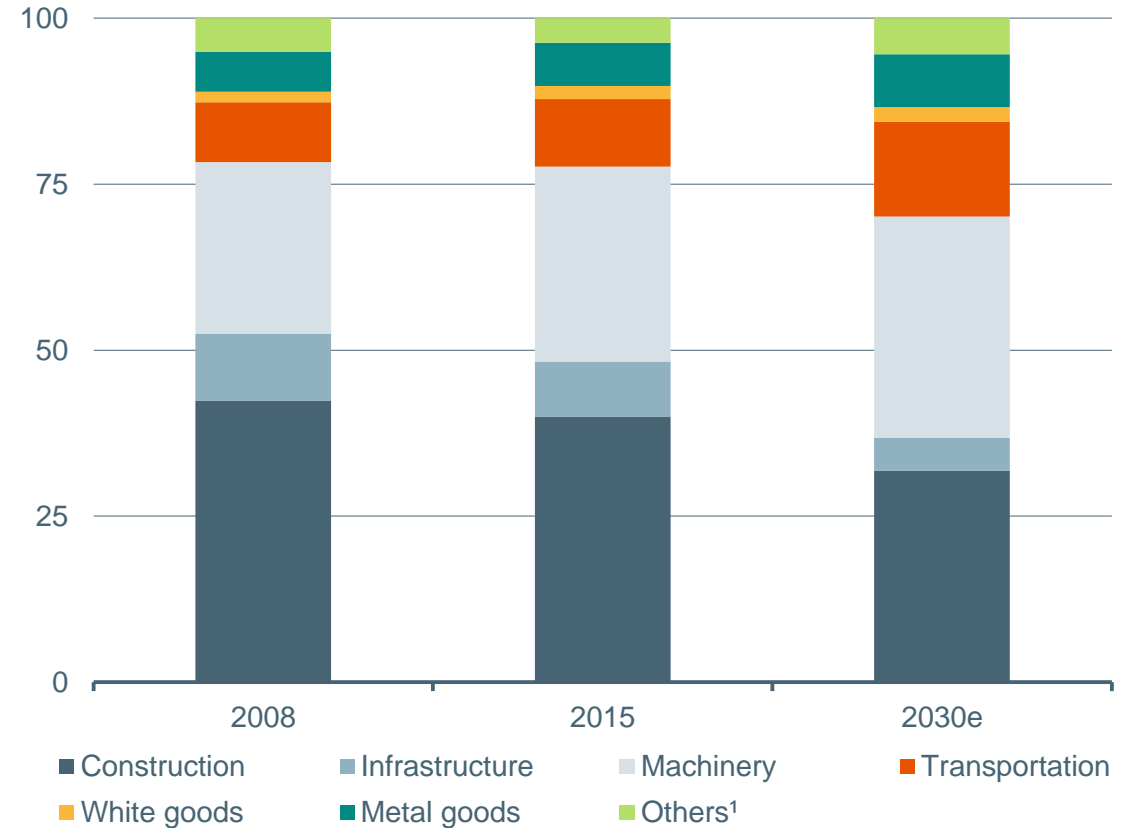
Slide 5



Prolonged period of market rebalancing

- The cost curve will continue to flatten in the medium term as low-cost supply exceeds demand growth
 - the marginal cost of supply continues to decline
- Iron ore contestable demand will peak inline with China's steel production and increased scrap availability
 - manufacturing sectors (i.e. machinery and transportation) will support long-term Chinese steel demand
 - we expect China's crude steel production to peak between 935-985 Mt in the mid 2020s

Manufacturing-led growth in Chinese steel demand (%)



Source: World Steel Association, CEIC, BHP Billiton analysis.

1. Others includes steel inventory changes by mills and traders, and steel demand from non-identified end user sectors.

Edgar Basto, Asset President Western Australia Iron Ore

8 March 2016

Slide 6

Safe and sustainable operations above all else

- Continued focus on culture of safety
 - managing and controlling fatal risks
 - eliminating serious injuries across our business
- Simple approach to productivity enables continuous safe and sustainable improvement
 - understanding the key value and cost drivers
 - using benchmarks and knowledge sharing to identify the gaps
 - executing the required changes safely and sustainably
- Productivity improvements reinforce key processes in place are delivering
 - >2,000 of our people own >5,500 ideas that have generated A\$4.3 billion in productivity gains¹ since FY13

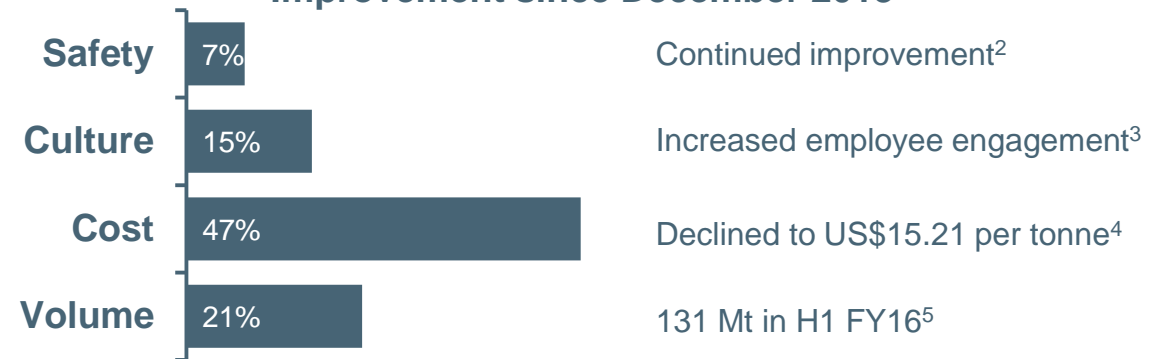
WA Iron Ore Team



 **5573**
IDEAS

 **2370**
OWNERS

Improvement since December 2013



A\$4.3 billion in productivity gains¹

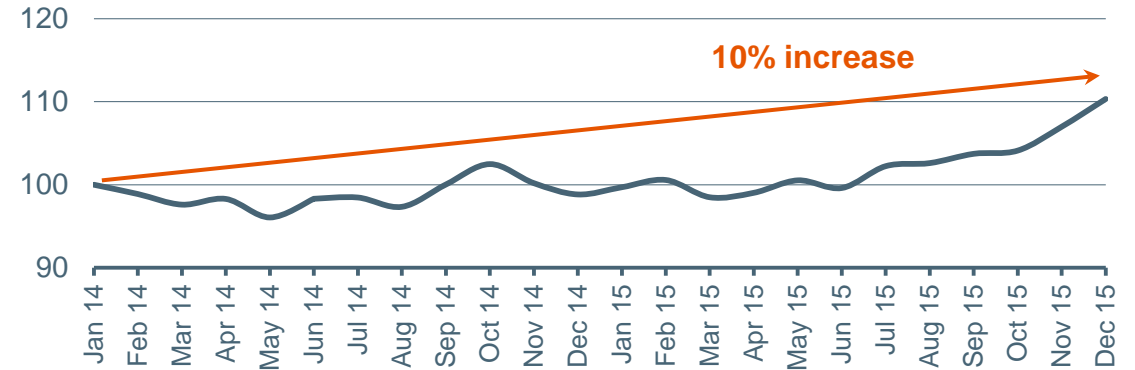
1. Represents FY14, FY15 and H1 FY16 productivity-led volume and controllable cash cost efficiencies (100% basis).
 2. Total Recordable Injury Frequency: H1 FY14 vs H1 FY16.
 3. Employee Engagement Perception Survey results: May 2014 vs October 2015.
 4. FOB unit cost excluding freight and royalties: H1 FY14 vs H1 FY16.
 5. Saleable ore production (100% basis): H1 FY14 vs H1 FY16.

Relentless pursuit of the basics

- Equipment productivity is driving further volume growth
 - better coordination of major plant shuts
 - improved shutdown practices
 - extended and optimised wear life of major components
- The value of the marginal tonne remains high
- 245 to 270 Mtpa with no fixed plant investment
 - further supply chain optimisation
 - improved port inflow scheduling to maximise car dumper utilisation
- Ramp up of additional capacity at Jimblebar and further efficiency across the integrated supply chain will deliver an increase in system capacity to 290 Mtpa over time

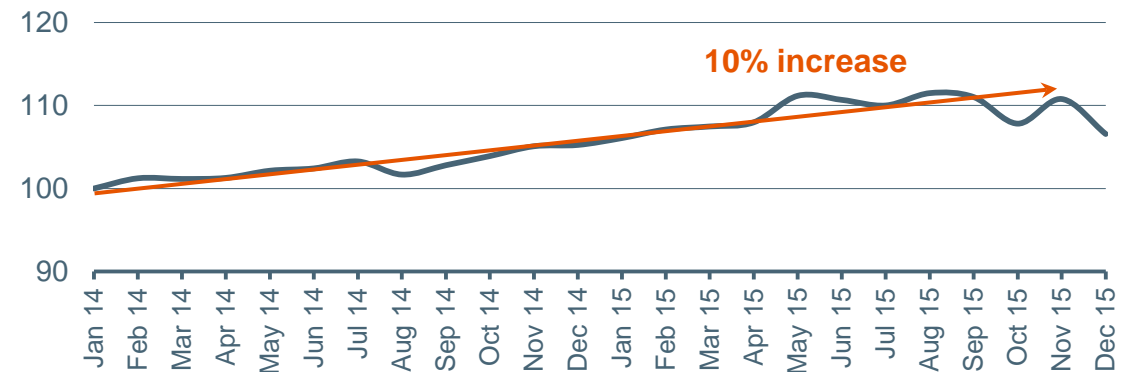
MAC OHP2 availability¹

(index, January 2014 = 100)



Total car dumper net rate

(index, January 2014 = 100)

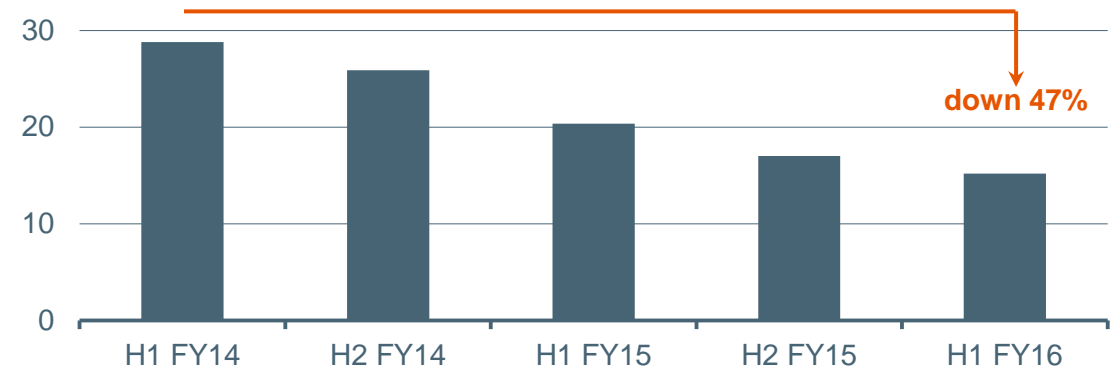


1. Six month moving average.

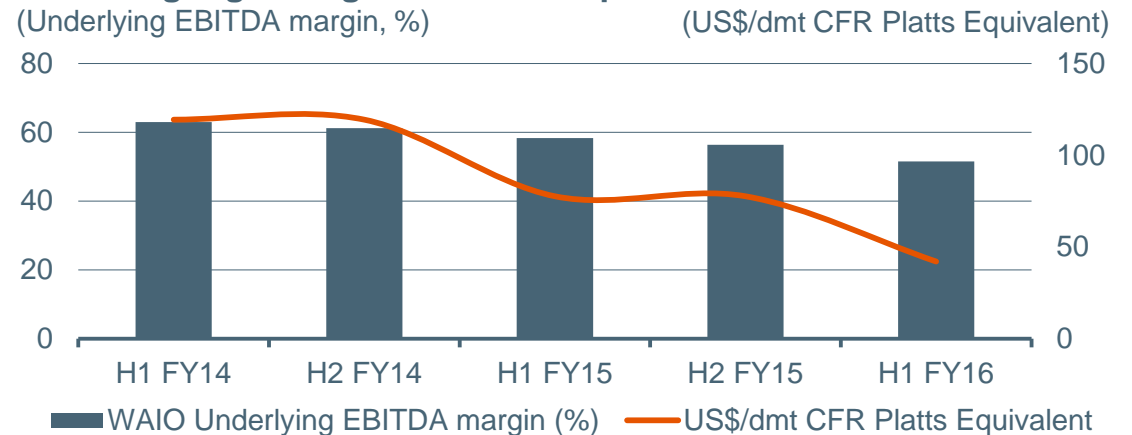
Continuing to deliver exceptional performance

- Our resource position enables sustained delivery of a high-quality, low-cost product over the long-term
- WAIO delivered strong results in H1 FY16, despite significantly weaker prices
 - FOB unit cost of US\$15.21 per tonne¹
 - Underlying EBITDA margin of 52%
 - US\$1.8 billion of Underlying EBIT
 - Underlying EBIT margin of 34%
- Sustained margins throughout the low-price environment
 - committed to maximising returns from our already installed infrastructure
 - average sustaining capital expenditure anticipated to remain at US\$4/t
 - further cost reduction to keep us at the left hand side of the cost curve

FOB unit cost comparison
(US\$/wmt¹)



Delivering high margin even at low prices

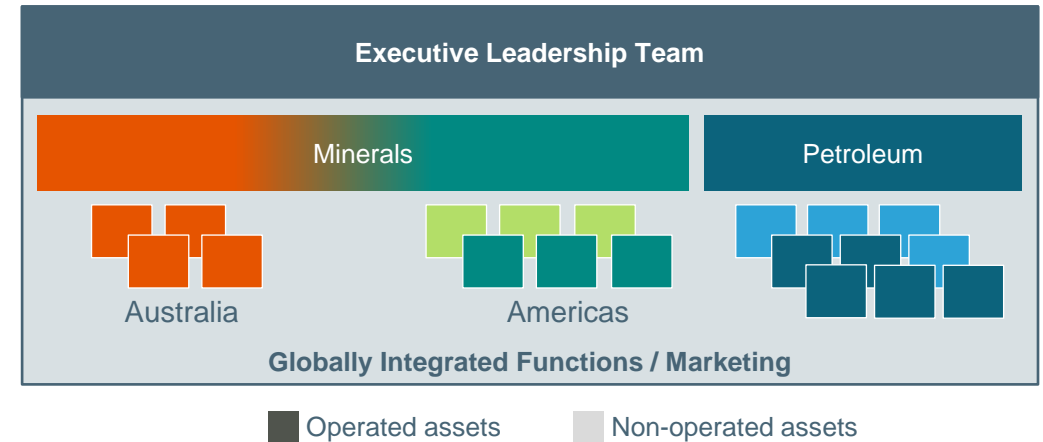


1. Excluding freight and royalties.

Productivity will be expedited under our simplified organisational structure

- BHP Billiton will have two regional units; Minerals Australia and Minerals Americas; and Petroleum as a third unit
 - Western Australia Iron Ore will form part of Minerals Australia
- Our new organisational structure is the next step to further de-layer, streamline and simplify
 - assets freed to focus on safety, volume and cost
 - enabled by globally integrated functional activities
 - global centres of excellence for projects and maintenance will be established
- Our strategy for Western Australia Iron Ore remains unchanged

Simplified organisation structure¹



1. Samarco and Jansen currently report into Dean Dalla Valle, Chief Commercial Officer.

Key themes

- The health and safety of our people and the communities in which we operate always come first
- China's steel demand growth slowing as the country transitions to the next phase of development
- The cost curve will continue to flatten in the medium-term as low-cost supply exceeds demand growth
- Our Tier 1 assets support high-margin operations and will continue to deliver strong returns
- BHP Billiton's simplified operating model will expedite significant savings



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