



BHP

BMO Global Metals, Mining & Critical Minerals Conference

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Disclaimer

The information in this presentation is current as at 21 February 2023. It is in summary form and is not necessarily complete. It should be read together with the BHP Results for the half year ended 31 December 2022.

Forward-looking statements

This presentation contains forward-looking statements, including statements regarding: trends in economic outlook; commodity prices and currency exchange rates; demand for commodities; medium-term guidance; reserves and resources and production forecasts; operational performance; expectations; plans, strategies and objectives of management; climate scenarios; approval of certain projects and consummation of certain transactions, including, but not limited to, our announced proposed acquisition of Oz Minerals; closure or divestment of certain assets, operations or facilities (including associated costs); anticipated production or construction commencement dates; capital expenditure or costs and scheduling; operating costs, including unit cost guidance, and shortages of materials and skilled employees; anticipated productive lives of projects, mines and facilities; provisions and contingent liabilities; and tax and regulatory developments.

Forward-looking statements may be identified by the use of terminology, including, but not limited to, 'intend', 'aim', 'ambition', 'aspiration', 'goal', 'target', 'prospect', 'project', 'anticipate', 'estimate', 'plan', 'objective', 'believe', 'expect', 'commit', 'may', 'should', 'need', 'must', 'will', 'would', 'continue', 'forecast', 'guidance', 'trend' or similar words. These statements discuss future expectations concerning the results of assets or financial conditions, or provide other forward-looking information.

The forward-looking statements are based on management's current expectations and reflect judgements, assumptions, estimates and other the information available as at the date of this presentation and/or the date of the Group's planning processes or scenario analysis processes. There are inherent limitations with scenario analysis and it is difficult to predict which, if any, of the scenarios might eventuate. Scenarios do not constitute definitive outcomes for us. Scenario analysis relies on assumptions that may or may not be, or prove to be, correct and may or may not eventuate, and scenarios may be impacted by additional factors to the assumptions disclosed.

Additionally, forward-looking statements in this presentation are not guarantees or predictions of future performance, and involve known and unknown risks, uncertainties and other factors, many of which are beyond our control, and which may cause actual results to differ materially from those expressed in the statements contained in this presentation. BHP cautions against reliance on any forward-looking statements or guidance, particularly in light of the current economic climate and the significant volatility, uncertainty and disruption arising in connection with the Ukraine conflict and COVID-19.

For example, our future revenues from our assets, projects or mines described in this presentation will be based, in part, upon the market price of the minerals, or metals produced, which may vary significantly from current levels. These variations, if materially adverse, may affect the timing or the feasibility of the development of a particular project, the expansion of certain facilities or mines, or the continuation of existing assets.

Other factors that may affect the actual construction or production commencement dates, revenues, costs or production output and anticipated lives of assets, mines or facilities include our ability to profitably produce and transport the minerals and/or metals extracted to applicable markets; the impact of foreign currency exchange rates on the market prices of the minerals or metals we produce; activities of government authorities in the countries where we sell our products and in the countries where we are exploring or developing projects, facilities or mines, including increases in taxes and royalties; changes in environmental and other regulations; the duration and severity of the Ukraine conflict and the COVID-19 pandemic and their impact on our business; political or geopolitical uncertainty; labour unrest; weather, climate variability or other manifestations of climate change; and other factors identified in the risk factors discussed in section 9.1 of the Operating and Financial Review in the FY2022 Annual Report and BHP's filings with the U.S. Securities and Exchange Commission (the 'SEC') (including in Annual Reports on Form 20-F) which are available on the SEC's website at www.sec.gov.

Except as required by applicable regulations or by law, BHP does not undertake to publicly update or review any forward-looking statements, whether as a result of new information or future events. Past performance cannot be relied on as a guide to future performance.

Presentation of data

Unless specified otherwise: variance analysis relates to the relative performance of BHP and/or its operations during the half year ended 31 December 2022 compared with the half year ended 31 December 2021; operations includes operated assets and non-operated assets; total operations refers to the combination of continuing and discontinued operations; continuing operations refers to data presented excluding the impacts of Onshore US from the 2017 financial year onwards and excluding Petroleum from the 2021 financial year onwards; copper equivalent production based on 2022 financial year average realised prices; references to Underlying EBITDA margin exclude third party trading activities; data from subsidiaries are shown on a 100 per cent basis and data from equity accounted investments and other operations is presented, with the exception of net operating assets, reflecting BHP's share; medium term refers to our five year plan. Queensland Coal comprises the BHP Mitsubishi Alliance (BMA) asset, jointly owned with Mitsubishi, and the BHP Mitsui Coal (BMC) asset until our 80 per cent interest in BMC was sold to Stanmore Resources on 3 May 2022. Numbers presented may not add up precisely to the totals provided due to rounding. All footnote content (except in the Annexures) is contained on slide 11.

Non-IFRS information

We use various Non-IFRS information to reflect our underlying performance. For further information, the reconciliation of non-IFRS financial information to our statutory measures, reasons for usefulness and calculation methodology, please refer to Non-IFRS financial information set out on pages 53 – 65 of the BHP Results for the year ended 31 December 2022.

No offer of securities

Nothing in this presentation should be construed as either an offer or a solicitation of an offer to buy or sell any securities, or a solicitation of any vote or approval, in any jurisdiction, or be treated or relied upon as a recommendation or advice by BHP. No offer of securities shall be made in the United States absent registration under the U.S. Securities Act of 1933, as amended, or pursuant to an exemption from, or in a transaction not subject to, such registration requirements.

Reliance on third party information

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BHP and its subsidiaries

In this presentation, the terms 'BHP', the 'Company', the 'Group', 'BHP Group', 'our business', 'organisation', 'we', 'us', 'our' and ourselves' refer to BHP Group Limited and, except where the context otherwise requires, our subsidiaries. Refer to note 28 'Subsidiaries' of the Financial Statements in the FY2022 Annual Report and Form 20-F for a list of our significant subsidiaries. Those terms do not include non-operated assets. This presentation covers BHP's functions and assets (including those under exploration, projects in development or execution phases, sites and closed operations) that have been wholly owned and/or operated by BHP or that have been owned as a joint venture¹ operated by BHP (referred to in this presentation as 'operated assets' or 'operations') during the period from 1 July 2022 to 31 December 2022.

BHP also holds interests in assets that are owned as a joint venture but not operated by BHP (referred to in this presentation as 'non-operated joint ventures' or 'non-operated assets'). Notwithstanding that this release may include production, financial and other information from non-operated assets, non-operated assets are not included in the BHP Group and, as a result, statements regarding our operations, assets and values apply only to our operated assets unless stated otherwise.

1. References in this presentation to a 'joint venture' are used for convenience to collectively describe assets that are not wholly owned by BHP. Such references are not intended to characterise the legal relationship between the owners of the asset.

Portfolio positively leveraged to megatrends

Built to compete in a complex but opportunity-rich environment

BHP
Portfolio



Copper
Largest endowment¹



Nickel
Second largest sulphide resources²



Iron Ore
Lowest cost iron ore producer³



Metallurgical Coal
Leading met coal supplier



Potash
Large-scale resource supports up to 100 years of operation⁴



TRADITIONAL DEMAND

Attractive fundamentals

- Population growth
- Urbanisation
- Industrialisation
- Living standards
- Capital stock turnover



DECARBONISATION

Demand amplification, rising material intensity

- Climate-positive land use
- Decarbonising power
- Electrifying transport
- Electrifying buildings
- Decarbonising industry



COST COMPETITIVENESS

Steeper cost curves, margin expansion for best operators

- End-to-end logistics
- Economies of scale
- Operational decarbonisation
- Operational productivity
- Managing labour challenges



SUPPLY HEADWINDS

Tighter balances, durable inducement pricing

- Lack of new discoveries
- Changing societal expectations
- Geological inflation
- Regulatory uncertainty
- Geopolitical risk

H1 FY23 operational and financial performance

A strong set of results despite increased external pressures

Safety

↓ 20%

Decline in high-potential injury (HPI) frequency from H1 FY22⁵

N.B. Fatality occurred at BHP's Port Hedland rail operations in February 2023

Unit costs

Controlling costs

Cost guidance for Escondida and WAIO unchanged, and BMA and NSWEC cost guidance increased largely due to significant wet weather impacts and inflation⁸

Production

Reliable performance

Record H1 performance at WAIO⁶; Group guidance ranges unchanged with Escondida and BMA trending to the low end of ranges⁷

EBITDA

US\$13.2 bn

Underlying EBITDA at 54% margin

Growth

Progressing our options

Jansen Stage 1 and WAIO debottlenecking to >300 Mtpa, accelerating other studies

Shareholder returns

90 US cps

Interim dividend determined, equivalent to US\$4.6 bn

Note: WAIO – Western Australia Iron Ore; BMA – BHP Mitsubishi Alliance; NSWEC – New South Wales Energy Coal.

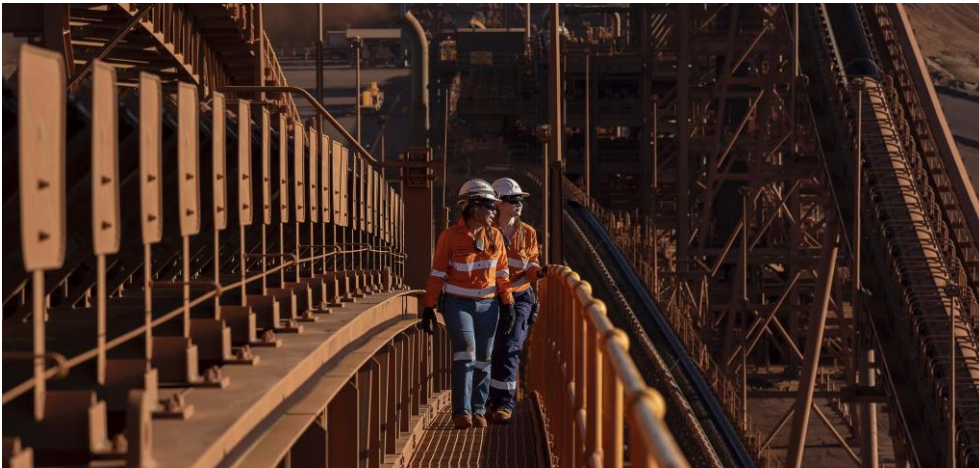
Near term growth

Projects at WAIO and Jansen are underway and on track



Growth to >300 Mtpa, studying options for 330 Mtpa

- Rail and port debottlenecking and optimisation to deliver >300 Mtpa at WAIO
- Studies for growth to 330 Mtpa to be completed in FY25
- Ability to leverage existing infrastructure (e.g. Yandi) and beneficiation will be key considerations



Stage 1 on track, Stage 2 studies accelerated

- Jansen Stage 1 project execution at 16% and running to plan and budget, targeting first production by the end of CY26 with 81% of engineering complete and 85% of procurement orders placed
- Stage 2 feasibility study commenced, now expected to be completed in FY24



Accelerating our future facing options

We are accelerating studies across a range of organic growth options in copper, nickel and potash

Organic opportunities in copper



**Escondida
Brownfield Options
(Copper)**



**Pampa Norte
Brownfield Options
(Copper)**



**Olympic Dam &
Oak Dam Growth
(Copper)**

Accelerating options

Escondida and Pampa Norte

- 1.2 Mtpa medium term production guidance at Escondida
- Options to add production including concentrator strategy and leaching

Olympic Dam and Oak Dam

- Studying two stage smelter at Olympic Dam
- Further drilling at Oak Dam towards initial resource definition
- OZ Minerals integration post completion of proposed acquisition⁹

Longer term opportunities



**Jansen Stages 3-4
(Potash)**



**Resolution
(Copper)**



**Nickel West
Expansion
(Nickel)**



**Antamina Life
Extension
(Copper)**

Note: Completion of the proposed OZL acquisition is subject to the Scheme becoming effective in accordance with the Scheme Implementation Deed⁹.

OZ Minerals proposed acquisition progressing

South Australian copper basin

Agreed terms

- Acquisition of 100% of OZL
- To be executed by way of a scheme of arrangement
- Cash price of A\$28.25 per OZL share (A\$9.6 billion¹⁰)¹¹

Benefits to OZL shareholders

- In BHP's view it provides an attractive premium and cash certainty
- Unanimous recommendation from the OZL Board to vote in favour¹²

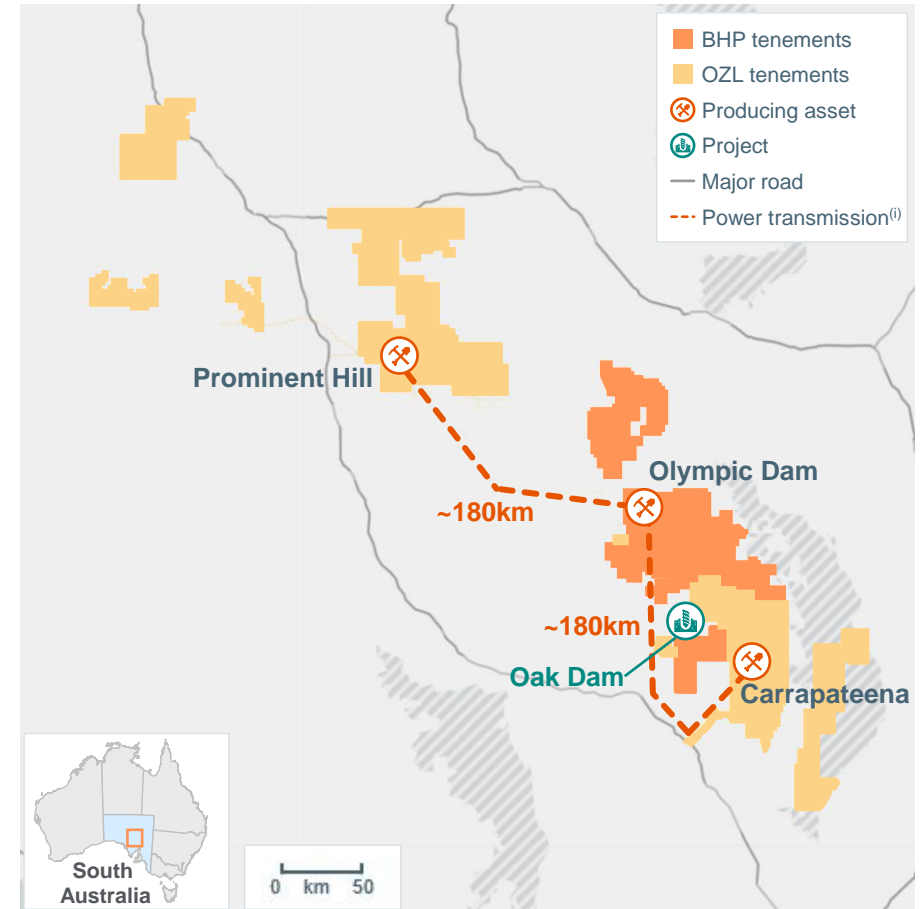
Benefits to BHP shareholders

- Increased exposure to future facing commodities
- Attractive potential synergies
- Pipeline of potential growth opportunities

Indicative transaction timetable

- Scheme booklet to OZL shareholders: early March 2023
- OZL shareholder Scheme meeting: April 2023
- Implementation date: late April / early May 2023 (subject to satisfaction of conditions including regulatory approvals)

Note: Transaction timetable is indicative only and subject to change.



(i) Figures represent the approximate distance of each power transmission line.

Investment proposition

Attractive returns underpinned by operational excellence, capital allocation discipline and Social Value commitment



Operational excellence

World class assets

Driving improvement in culture and capability

Agile decision making and strategic flexibility



Disciplined capital allocation

Strong balance sheet

Embedded Capital Allocation Framework

A framework for growth with an active pursuit of opportunities



Value and returns

Commitment to Social Value and sustainability

Increasing exposure to future facing commodities

Exceptional shareholder returns

BHP

Footnotes

1. Slide 3: : Largest copper endowment on a contained metal basis, equity share. Peers include: Anglo American, Antofagasta, Codelco, First Quantum Minerals, Freeport, Glencore, Rio Tinto, Southern Copper and Teck. Source peers: Wood Mackenzie Ltd, Q1 2022. Source BHP data: FY2021 BHP Annual Report.
2. Slide 3: Second largest nickel sulphide resources on a contained metal basis, equity share. Source peers: MinEx Consulting Global Ni Database, July 2022. Source BHP data: FY2022 BHP Annual Report.
3. Slide 3: Based on published unit costs by major iron ore producers, as reported at 31 December 2022.
4. Slide 3: Based on a Reserve life of 94 years as reported in BHP's 17 August 2021 news release, available to view on www.bhp.com, with further optionality from Jansen's 5,230 Mt Measured Resource base.
5. Slide 4: There were zero fatalities during the December 2022 half. A fatal incident occurred subsequently at our WAIO operations in February 2023.
6. Slide 4: WAIO achieved record production of 146 Mt (100% basis) for the half year.
7. Slide 4: Production guidance for the 2023 financial year remains unchanged, with Escondida and BMA trending to the low end of their respective guidance ranges.
8. Slide 4: Full year unit cost guidance for BMA and NSWEC has been increased, largely reflecting production impacts from significant wet weather and inflationary pressures. 2023 financial year unit cost guidance: Escondida US\$1.25-1.45/lb, WAIO US\$18-19/t, BMA US\$100-105/t and NSWEC US\$84-91/t; based on exchange rates of AUD/USD 0.72 and USD/CLP 830.
9. Slide 6: BHP has entered into a Scheme Implementation Deed with OZ Minerals Limited (OZL) to acquire 100% of OZL by way of a scheme of arrangement for a cash price of A\$28.25 per OZL share (Scheme). The implementation of the Scheme is subject to satisfaction of certain conditions including receipt of approvals from regulators in relevant jurisdictions (including Brazil, now received, and Vietnam), an independent expert concluding that the Scheme is in the best interests of OZL shareholders, OZL shareholder approval, Australian court approval, no material adverse change in relation to OZL and no prescribed occurrences occurring.
10. Slide 7: On a fully diluted enterprise value basis, updated for OZL net debt of A\$254 million as at 31 December 2022.
11. Slide 7: Less the amount of any dividend declared and to be paid by OZL.
12. Slide 7: In the absence of a superior proposal and subject to an independent expert concluding that the Scheme is in the best interests of OZL shareholders.