BHP Billiton Iron Ore

Asset Development Projects

Iron Ore

September 2003

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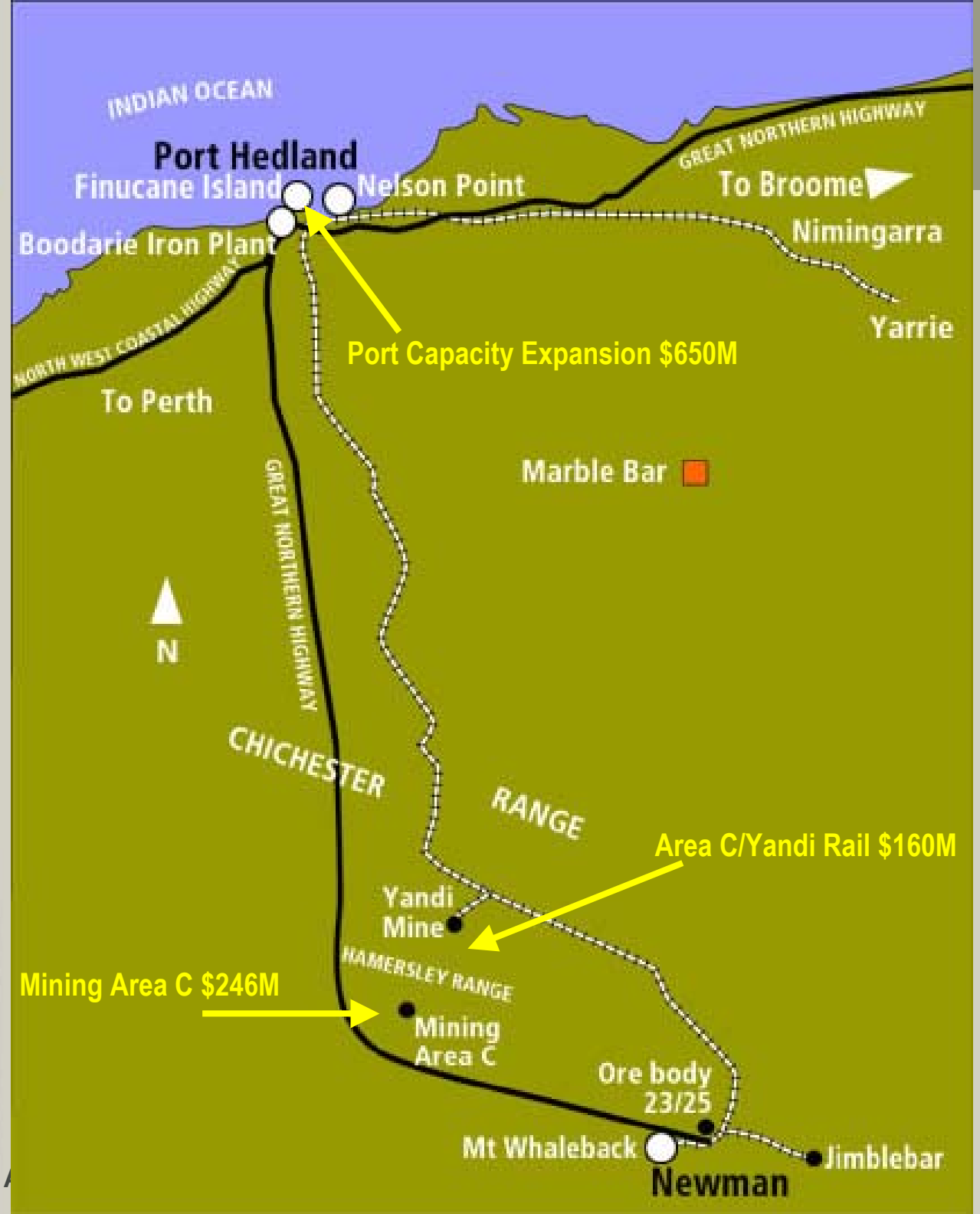
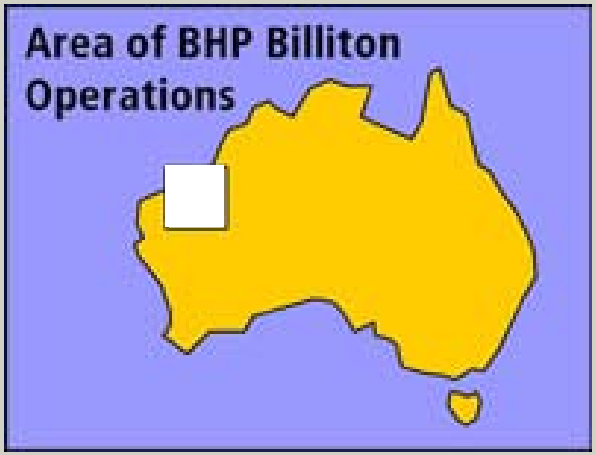
Agenda

- Mining Area C Project
- Area C to Yandi Rail Project
- Products and Capacity Expansion (PACE) Project
- System Capacity Increases to 100Mtpa
- Long Term Expansion (LTE) Study





Boodarie Iron

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MINING AREA C
General Arrangement

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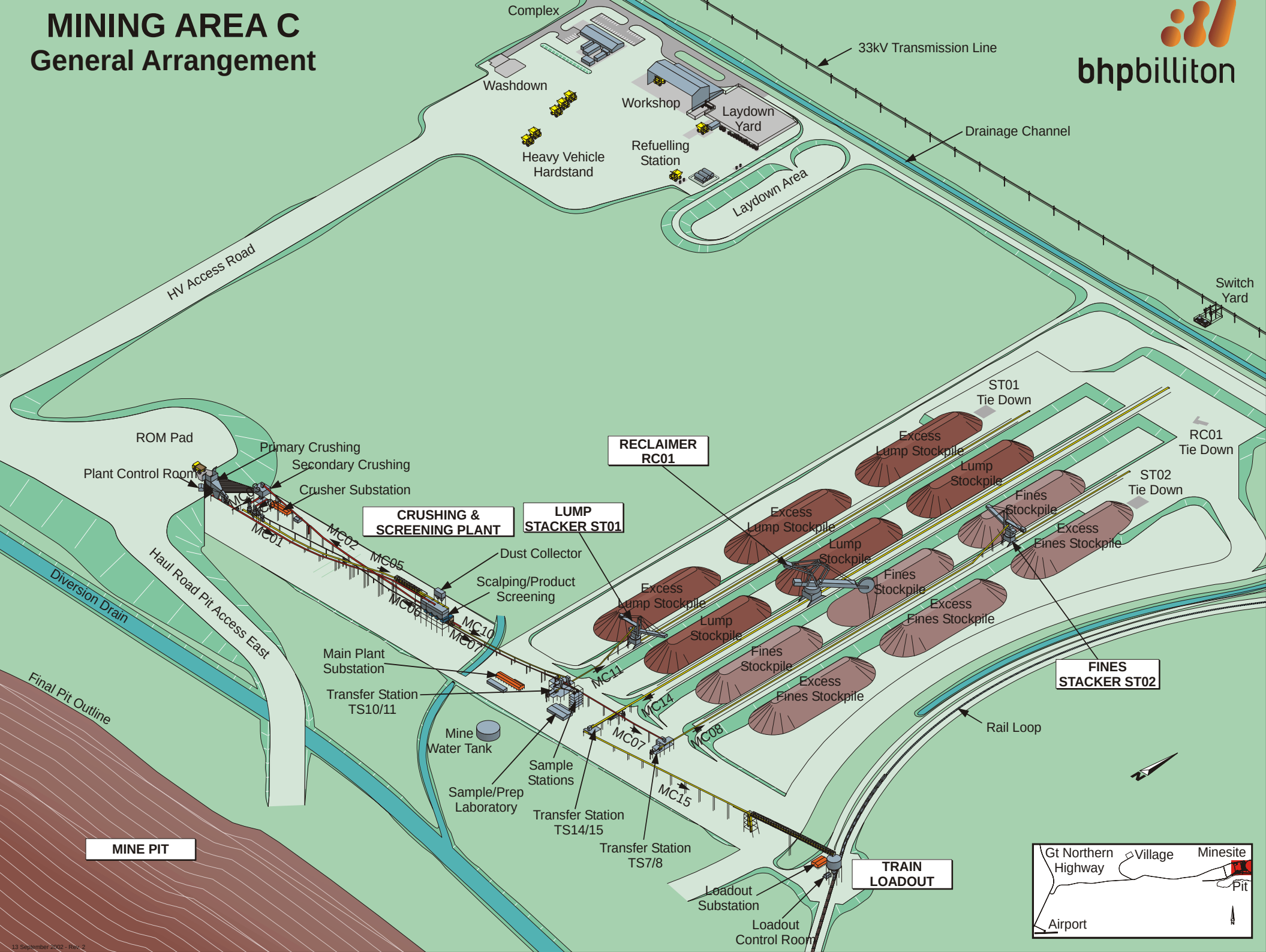
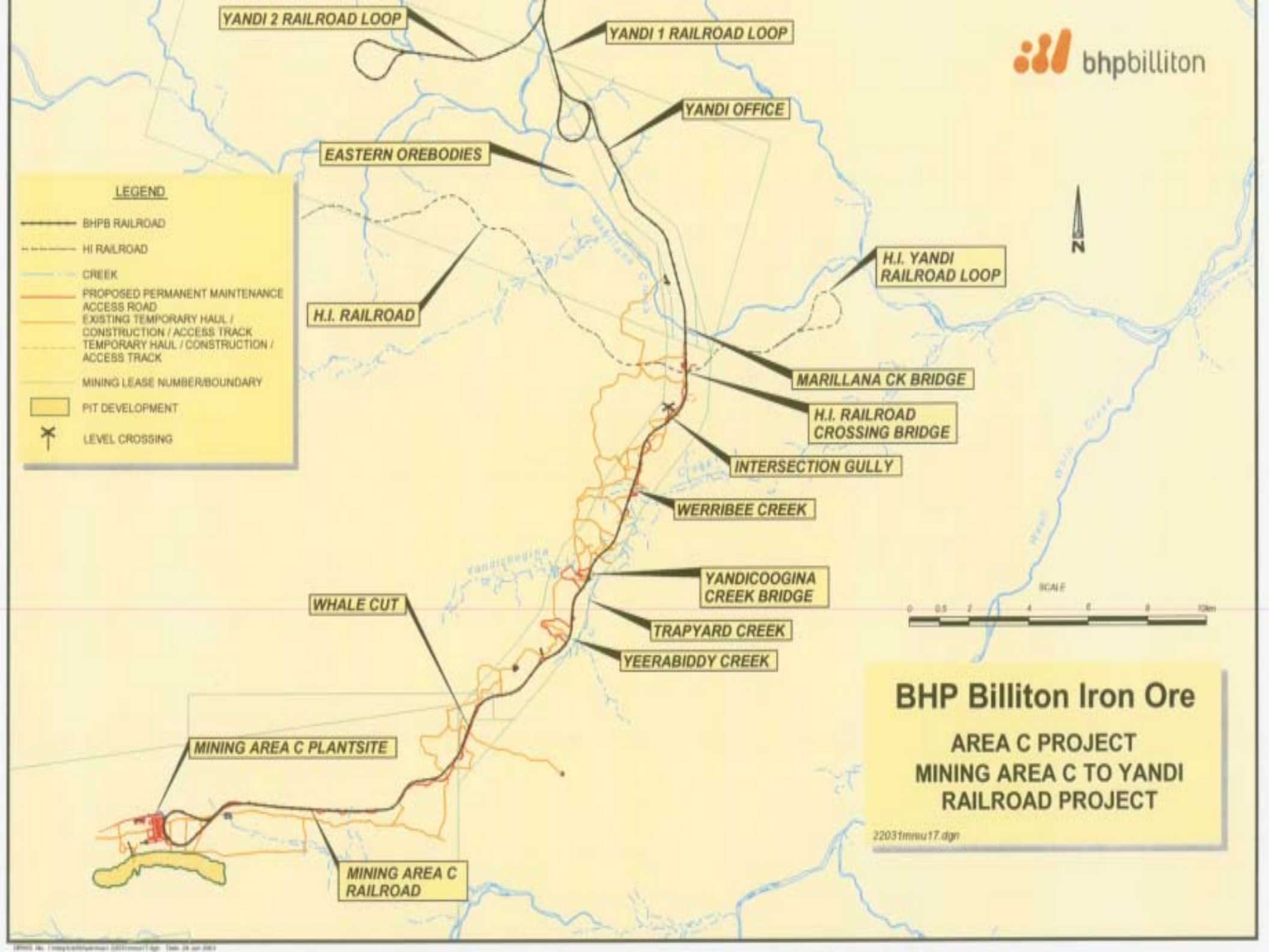


13 September 2002 - Rev. 2


YANDI 2 RAILROAD LOOP
YANDI 1 RAILROAD LOOP
YANDI OFFICE
EASTERN OREBODIES
H.I. RAILROAD
H.I. YANDI RAILROAD LOOP
MARILLANA CK BRIDGE
H.I. RAILROAD CROSSING BRIDGE
INTERSECTION GULLY
WERRIBEE CREEK
YANDICOOGINA CREEK BRIDGE
TRAPYARD CREEK
YEERABIDDY CREEK
WHALE CUT
MINING AREA C PLANTSITE
MINING AREA C RAILROAD
LEGEND
BHPB RAILROAD
HI RAILROAD
CREEK
PROPOSED PERMANENT MAINTENANCE ACCESS ROAD
EXISTING TEMPORARY HAUL / CONSTRUCTION / ACCESS TRACK
TEMPORARY HAUL / CONSTRUCTION / ACCESS TRACK
MINING LEASE NUMBER/BOUNDARY
PIT DEVELOPMENT
LEVEL CROSSING
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N
SCALE
0 0.5 2 4 6 8 10km
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AREA C PROJECT
MINING AREA C TO YANDI RAILROAD PROJECT
22031mmu17.dgn

PRODUCTS AND CAPACITY EXPANSION PROJECT
WESTERN STOCKYARD WORKS

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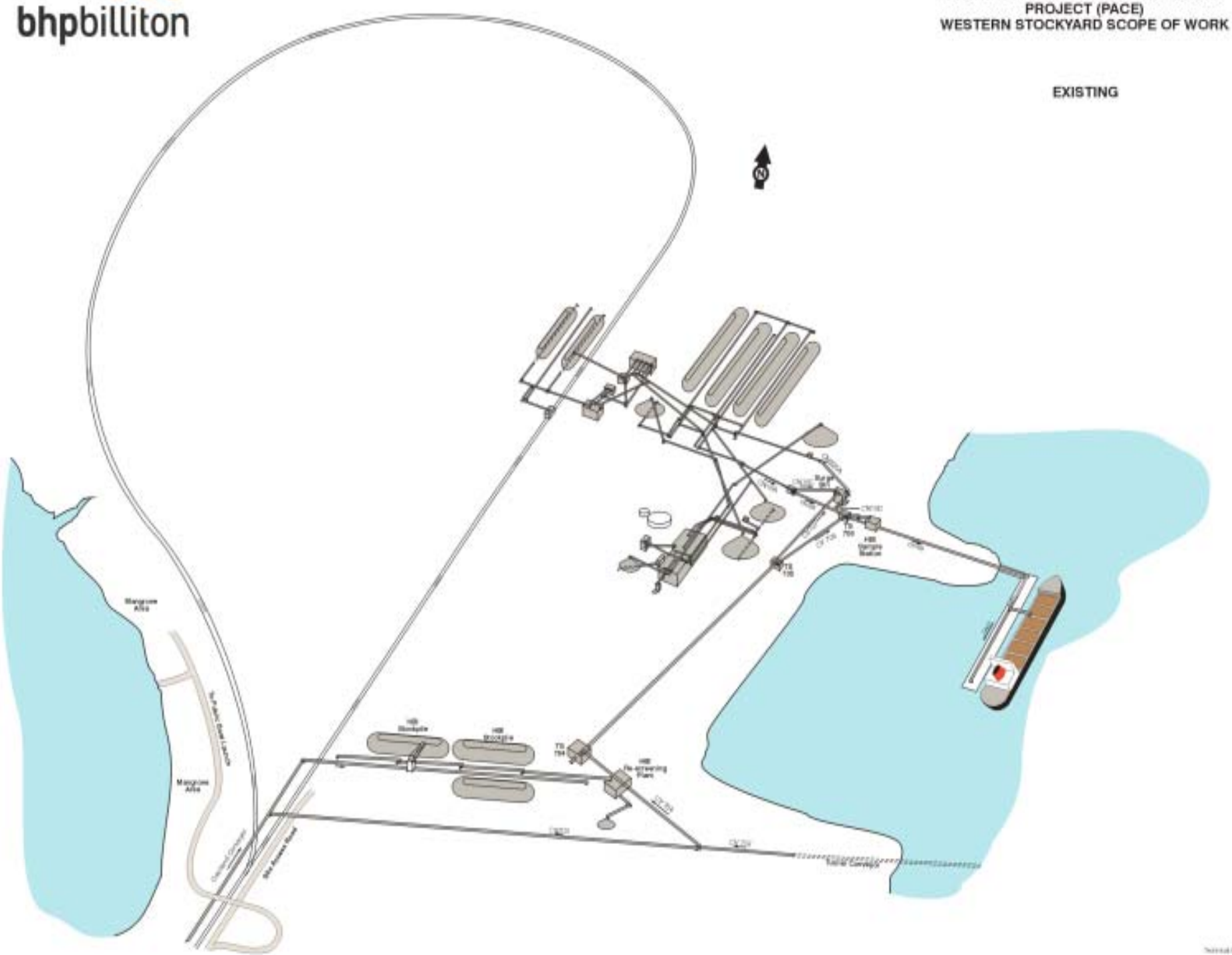
PRODUCTS AND CAPACITY EXPANSION
PROJECT (PACE)
WESTERN STOCKYARD SCOPE OF WORK

EXISTING



PRODUCTS AND CAPACITY EXPANSION PROJECT
WESTERN STOCKYARD WORKS

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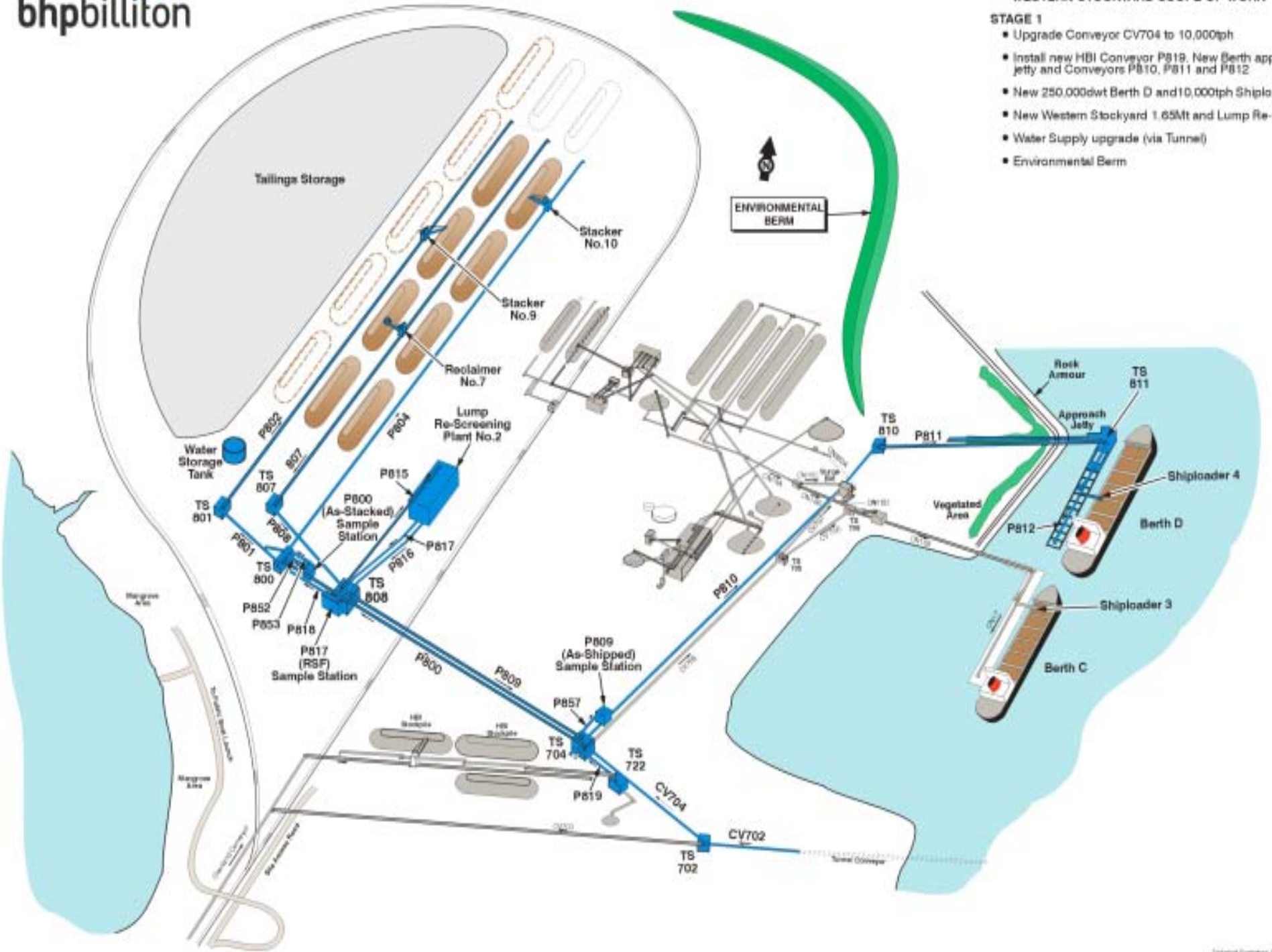
PRODUCTS AND CAPACITY EXPANSION PROJECT (PACE)
WESTERN STOCKYARD SCOPE OF WORK

STAGE 1

- Upgrade Conveyor CV704 to 10,000tph
- Install new HBI Conveyor P819, New Berth approach jetty and Conveyors P810, P811 and P812
- New 250,000dwt Berth D and10,000tph Shiploader No 4
- New Western Stockyard 1.65Mt and Lump Re-screening Plant
- Water Supply upgrade (via Tunnel)
- Environmental Berm



Asset Development Projects
KPI's

Financial KPI's	Mining Area C Project	PACE Project
Original Auth. Budget - 100% (AUD$M)	398	653
Current Auth. Budget - 100% (AUD$M)	406	647
Project Schedule KPI's		
Rail 1st Ore	Nov-03	N/A
Ship 1st Ore from Finucane Island	N/A	Feb-04
Facility Handover to Operations	Dec-03	Mar-04
Project HSEC KPI's		
Fatalities	0	0
LTIFR	<2	<2
Level 3 Environmental incidents	0	0
Indigenous Employment (% of site hours)	5%	5%
IR Lost Time (% of total hours)	2-3%	2-3%

All projects are currently running ahead of schedule and under budget – in A$'s and in US$'s

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Asset Development Projects
Schedule / Cost / Safety Performance

Project Milestones	Planned	Actual
Project Approval	22 Mar 02	22 Mar 02
Complete Nelson Point Commissioning	26 Jul 03	17 Jul 03
Rail track available for Commissioning Train	1 Sep 03	16 Aug 03
Complete Commissioning – Area C	11 Sep 03	26 Aug 03
Rail 1st ore to Nelson Point from Area C	1 Oct 03	16 Aug 03
Ship 1st ore ex Nelson Point	31 Oct 03	24 Sep 03
New Shiploader delivered to Finucane Island	27 Nov 03	25 Oct 03
Ship 1st ore ex Finucane Island	28 Feb 04	26 Jan 04

	Current Budget	Progress
Area C	245,780	99%
Rail	159,985	99%
PACE	647,179	70%
TOTAL	**1,052,944**	**85%**

	Manhrs	LTI's	LTIFR	CI's	CIFR
Area C	1,092,152	1	0.9	4	3.6
Rail	1,109,200	0	0	2	1.8
PACE	1,674,192	0	0	7	4.2
TOTAL	**3,875,544**	**1**	**0.2**	**13**	**3.4**

Mining Area C Project
Crushing Plant

Mining Area C Project
Screening Building

Mining Area C Project
Reclaimer

Mining Area C to Yandi Railroad Project
Bulk Earthworks – Cut 28

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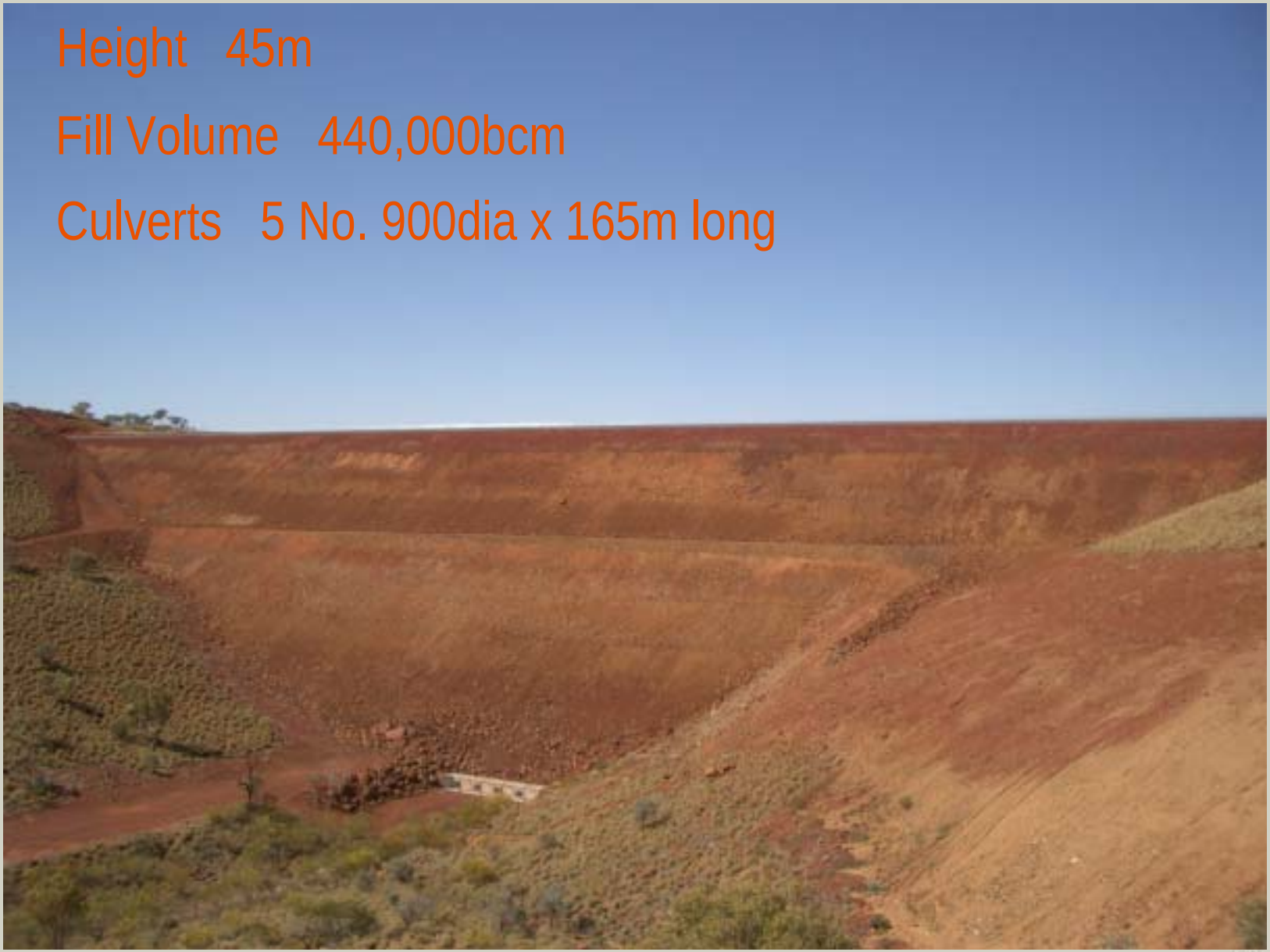
Mining Area C to Yandi Railroad Project
Yeerabiddy Creek



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Mining Area C to Yandi Railroad Project
Marillana Creek Bridge

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1st train from Mining Area C – 16 August 2003

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PACE Project

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Capacity Increases

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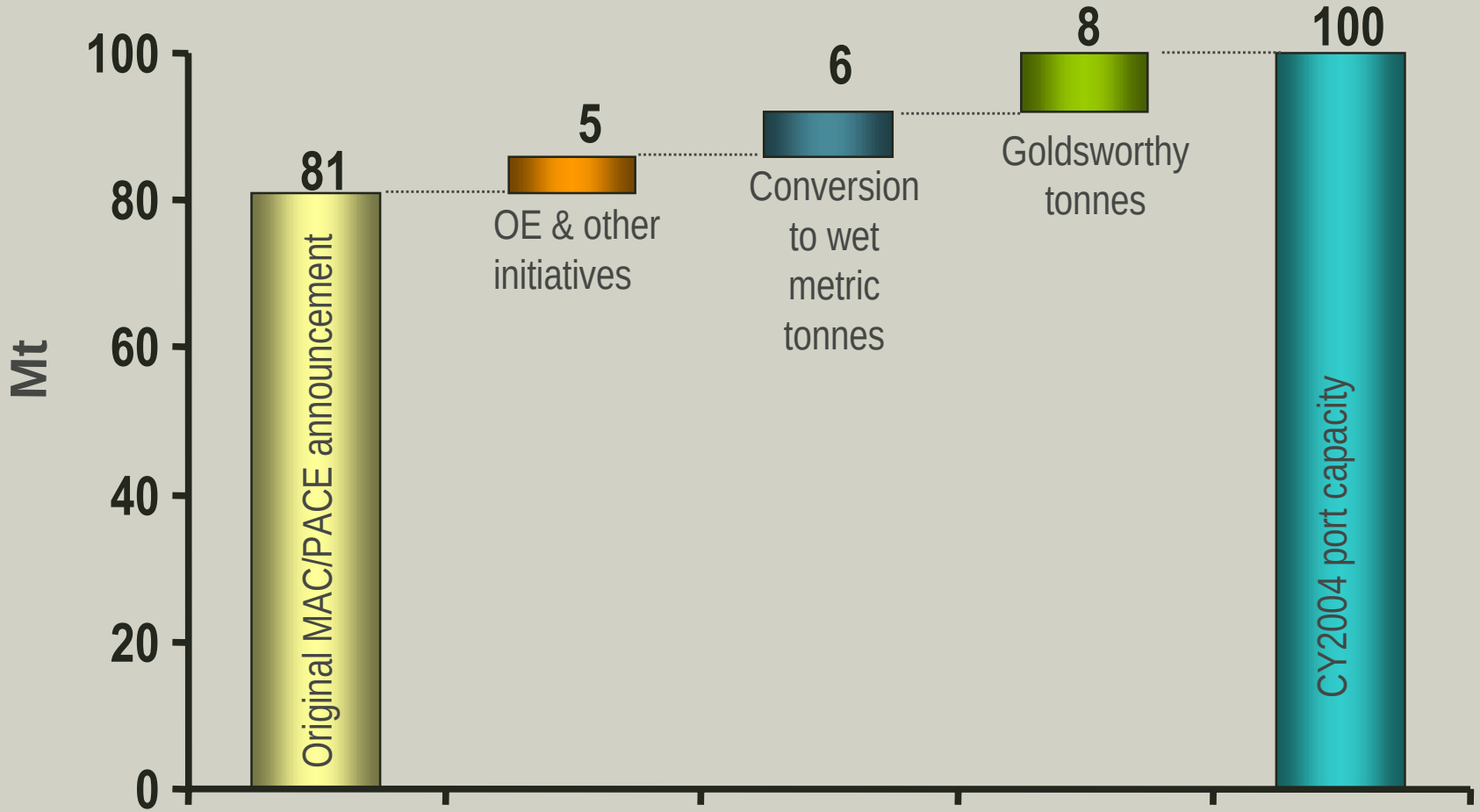
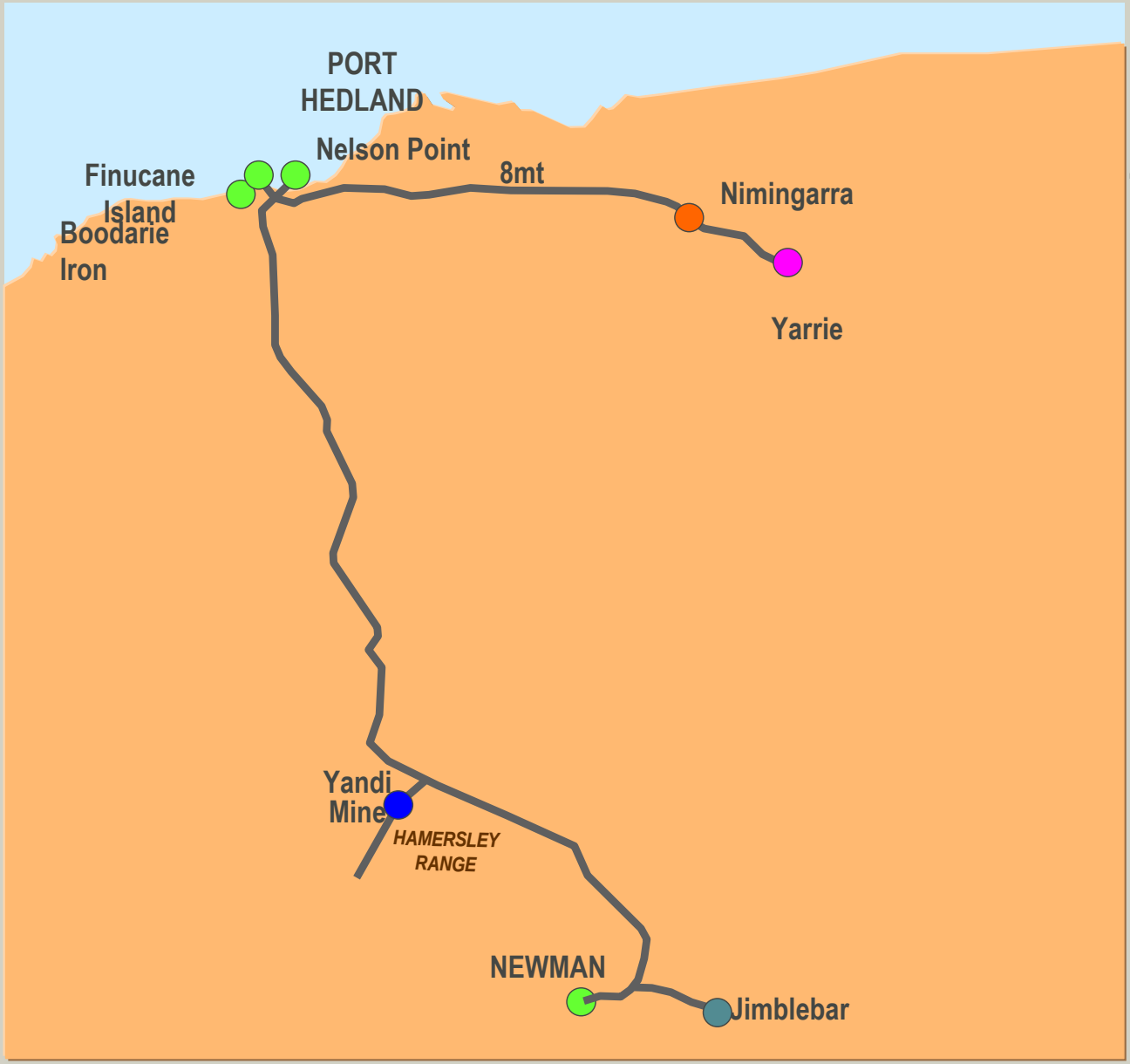
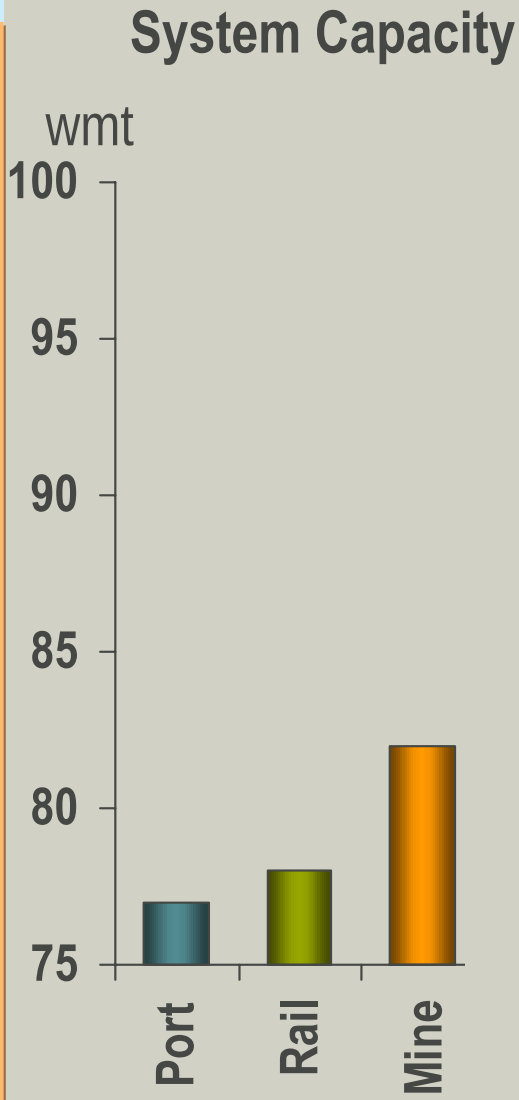
Port Capacity Improvements 81Mt → 100Mt

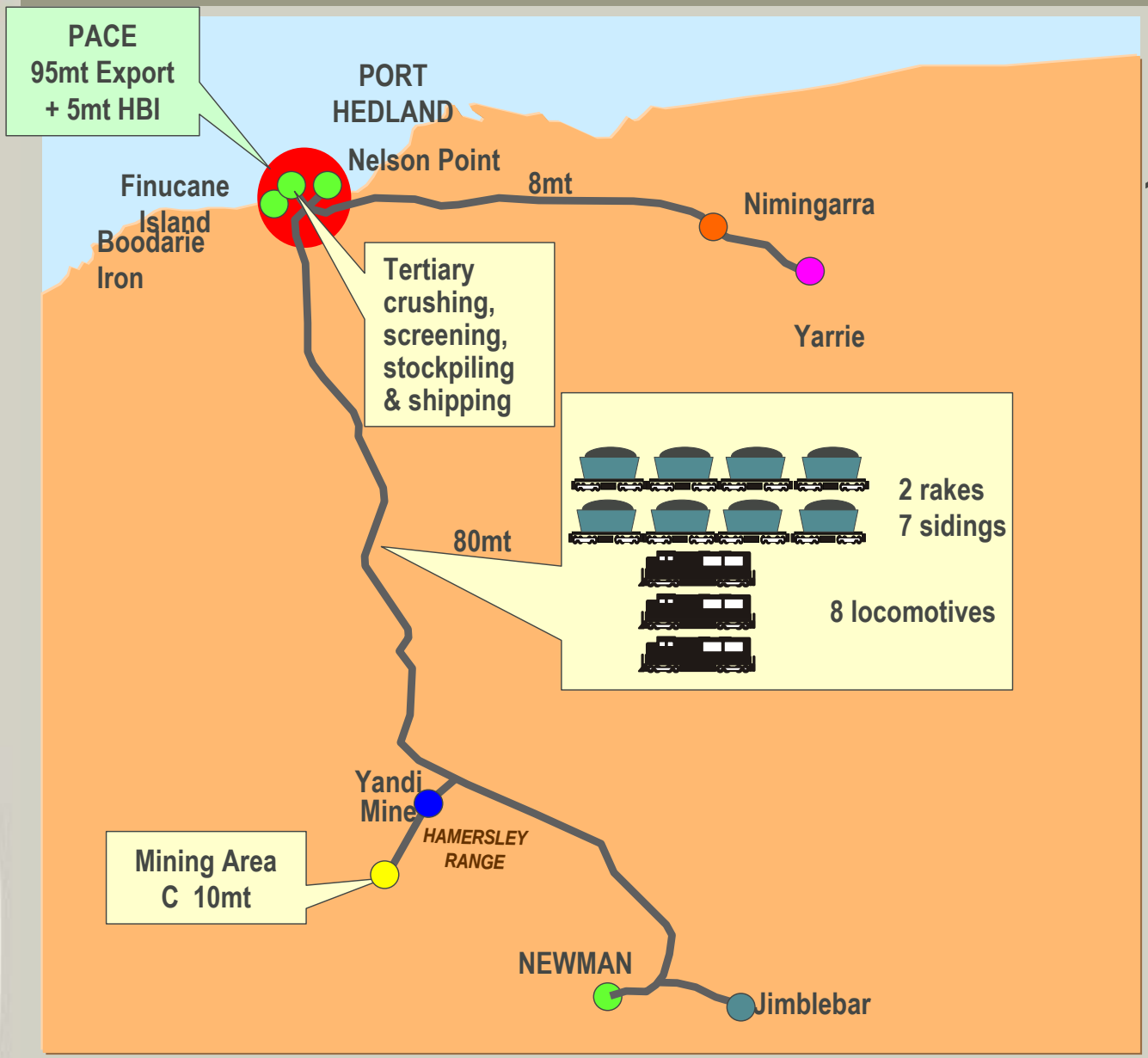


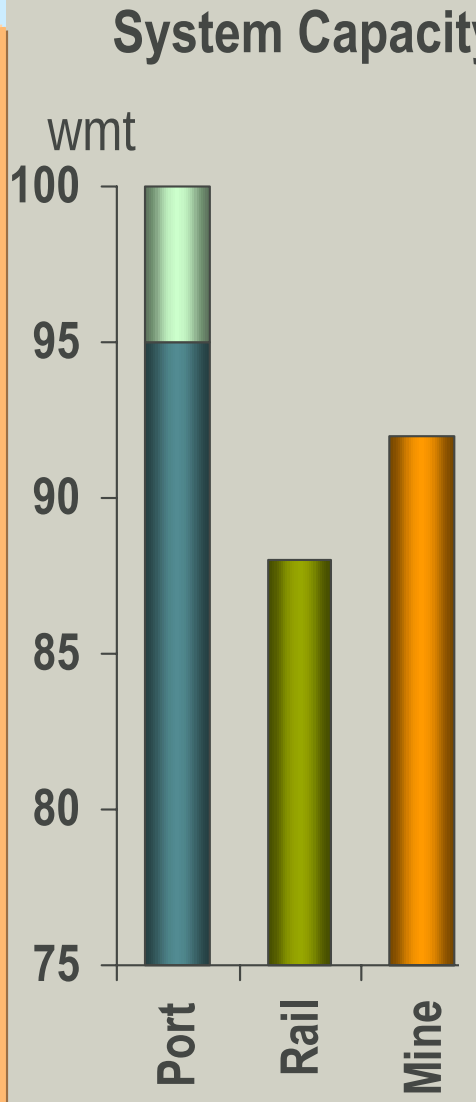
BHPB WA Iron Ore System Capacity
77mt





BHPB WA Iron Ore System Capacity
77mt → 88mt





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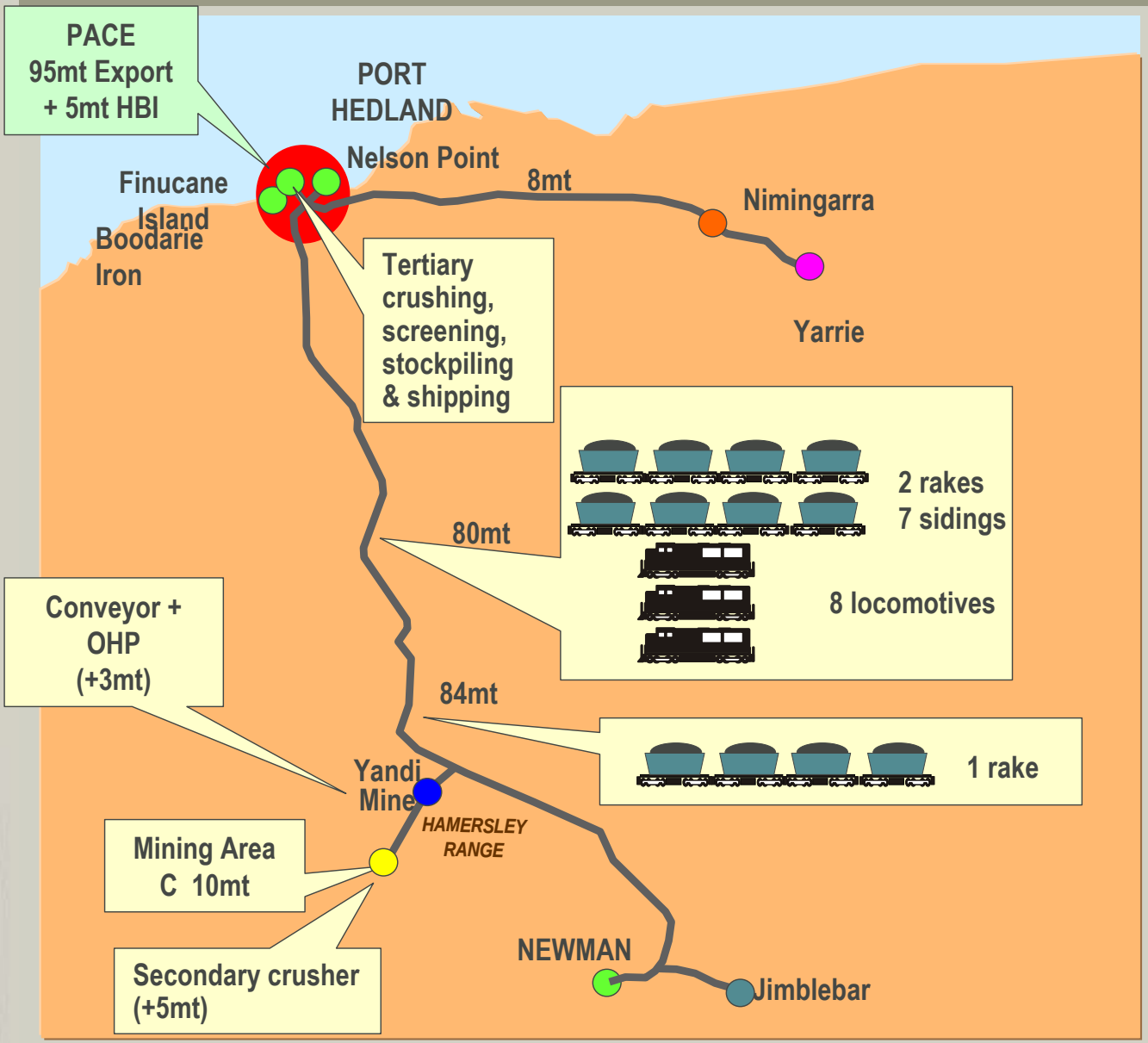
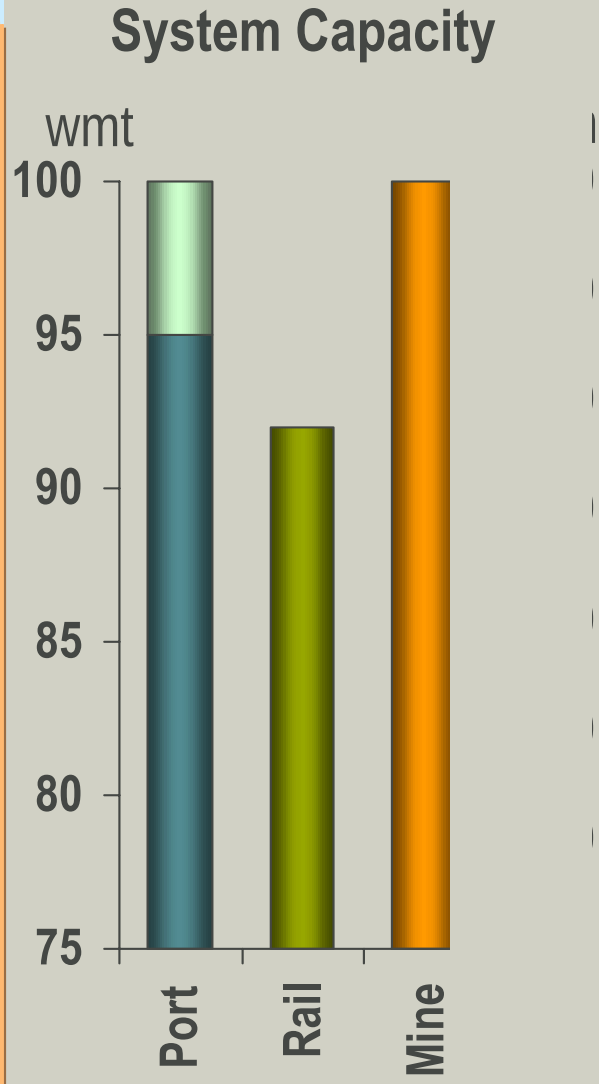
BHPB WA Iron Ore System Capacity
77mt ➔92mt





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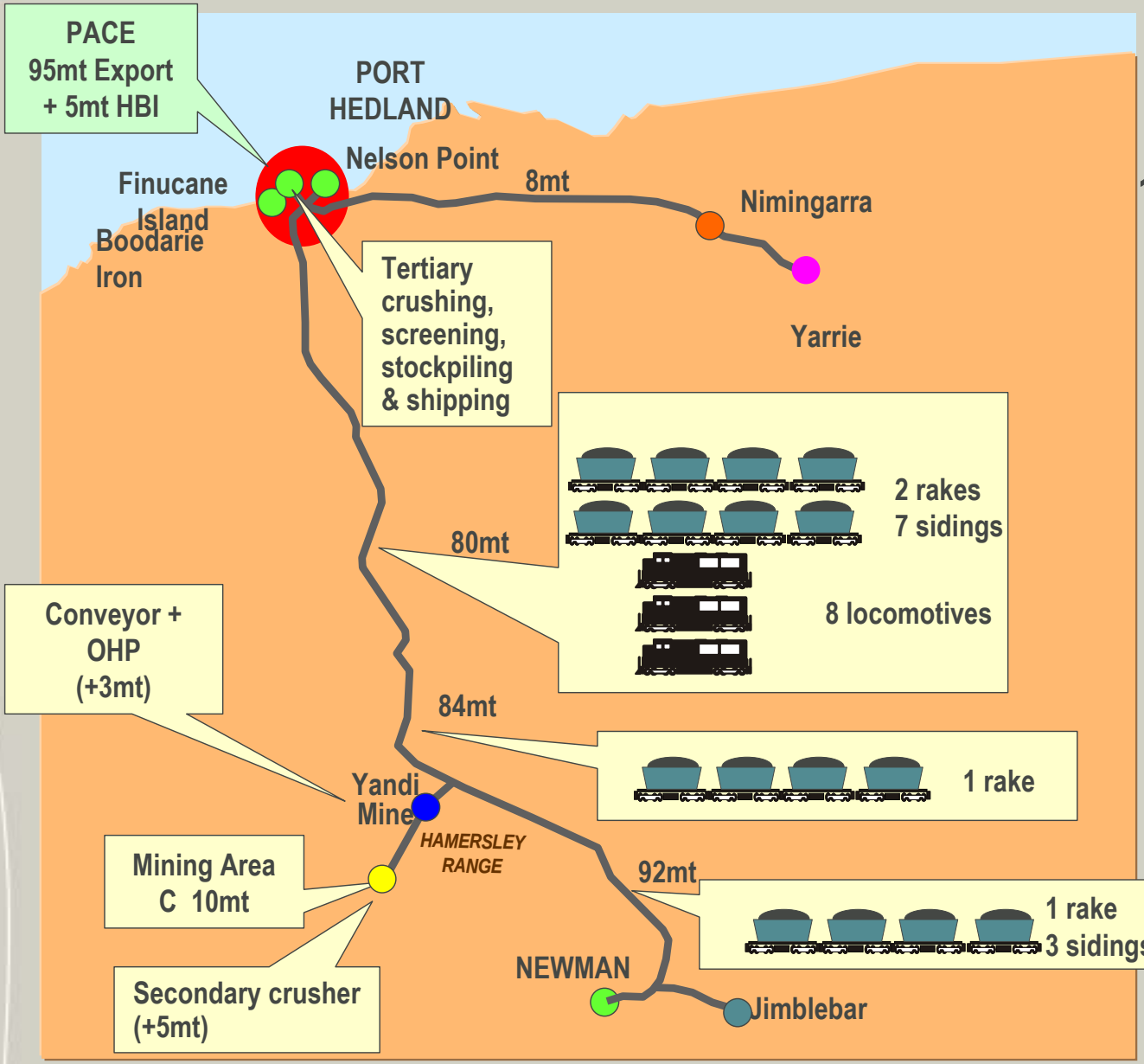
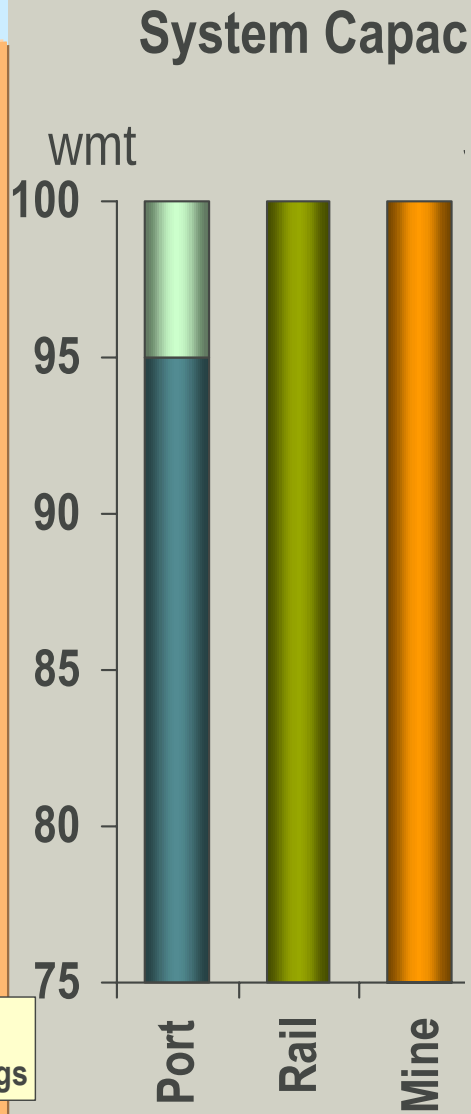
BHPB WA Iron Ore System Capacity

77mt ➔100mt





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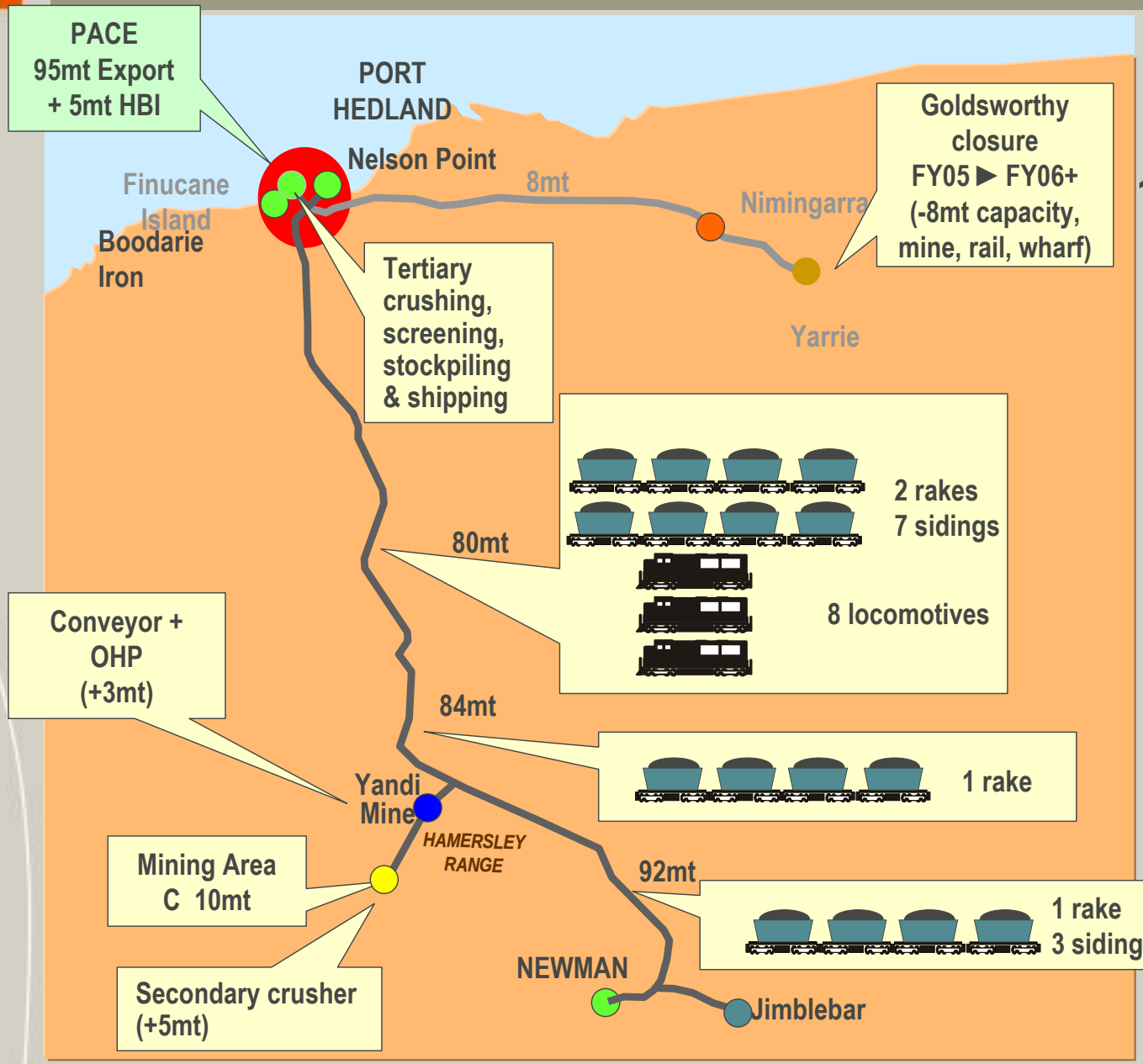
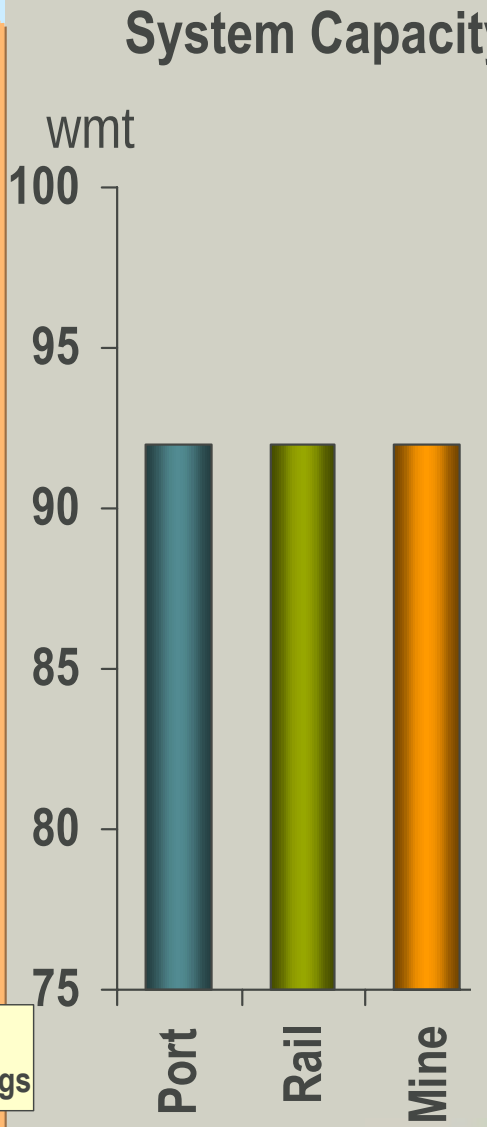
BHPB WA Iron Ore System Capacity
77mt ➔92mt





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Timing of Capacity increases

- Mining Capacity:
  - Additional 5Mt at Area C — 1st Qtr CY2004
  - Additional 3Mt at Yandi (IOWA) — 1st Qtr CY2004

- Rail Capacity
  - 2nd rake (+ 4Mt) — 4th Qtr CY2003
  - 3rd rake (+ 4Mt) — 1st Qtr CY2004
  - Extra 3 sidings (+ 4Mt) — 1st Qtr CY2004
  - 4th rake (+ 4Mt) — 2nd Qtr CY2004

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BHP Billiton Iron Ore

Long Term Expansion Study

Iron Ore

September 2003

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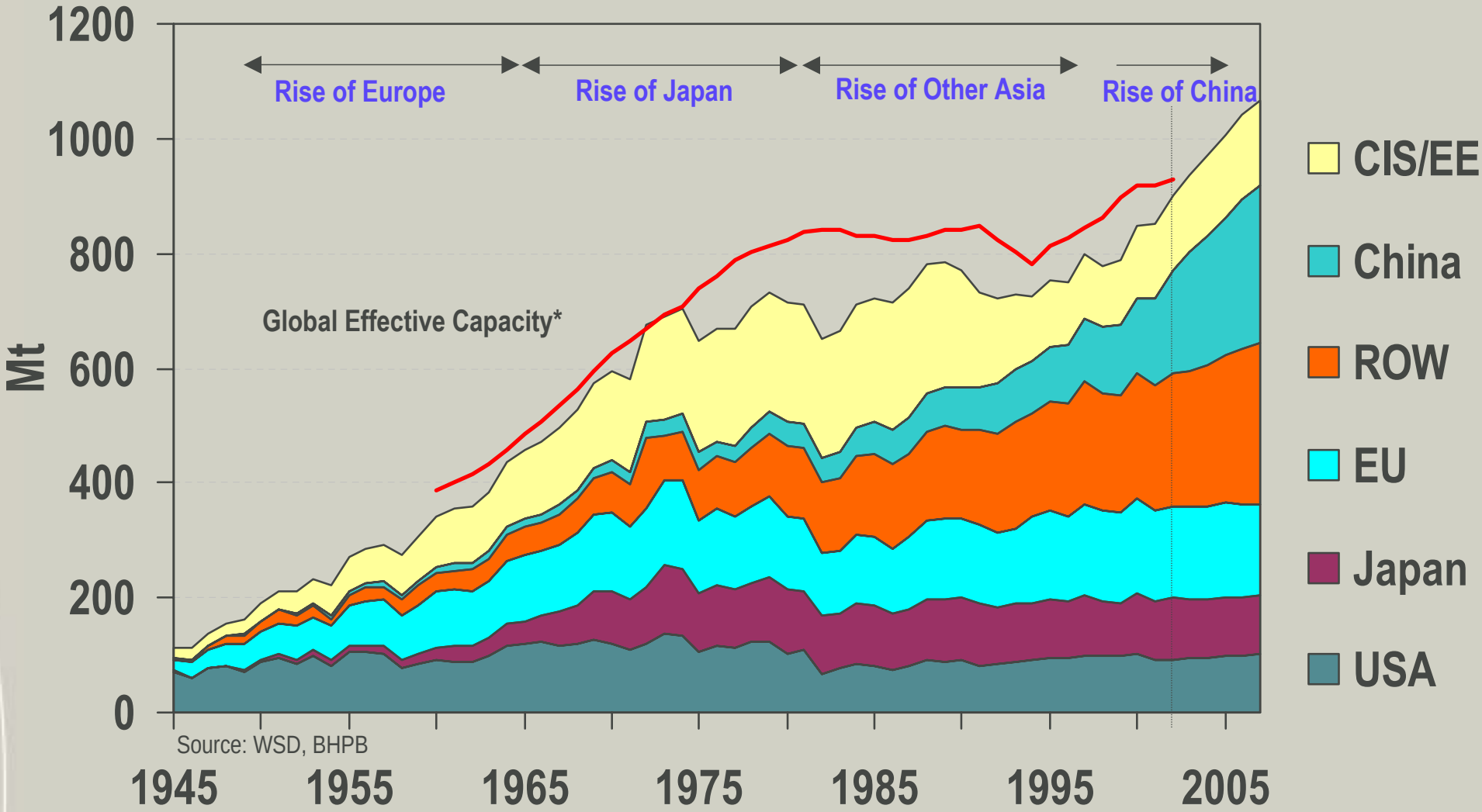
LTE PFS
Global Crude Steel Production – Base Case



*Expected output 1yr after price rise

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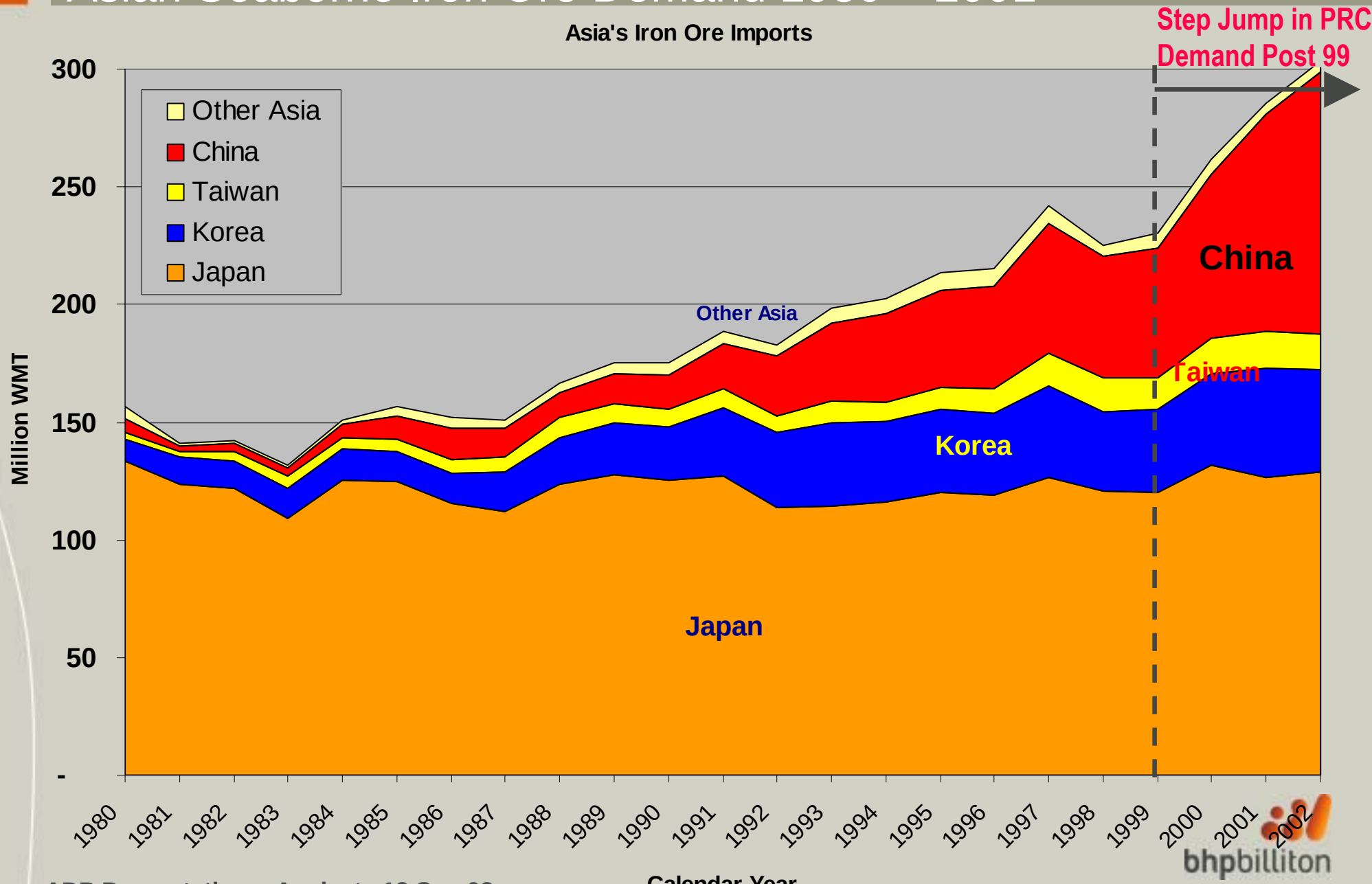
LTE PFS
Asian Seaborne Iron Ore Demand 1980 – 2001



LTE PFS
Catalyst / Initiator

- Rapid, unprecedented and anticipated long-term sustainable increase in demand for Iron Ore that exceeds current supply capacity of major seaborne traders

- Growth centred on China

- Originally based on 120 Mtpa capacity with 40:40:40 split from Newman : Yandi : Area C. Expansion study will now consider possibilities closer to 140 Mtpa or beyond

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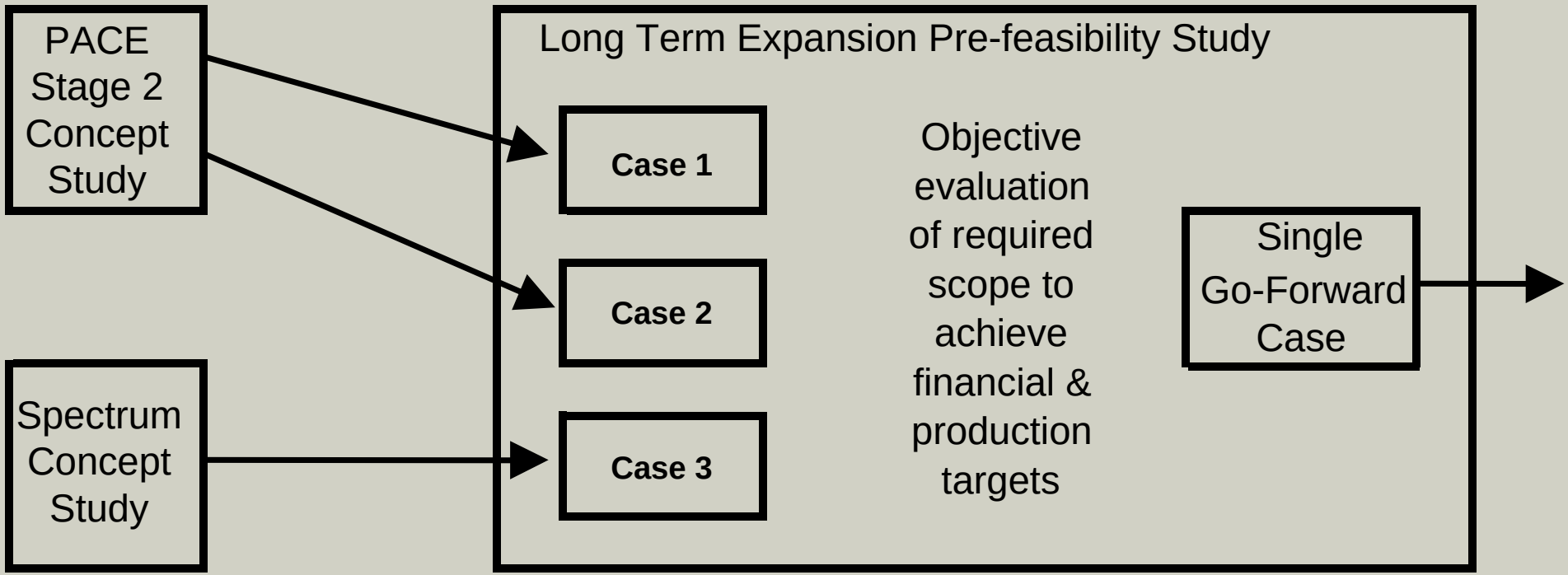
LTE PFS
Purpose

To select a single go forward case for long term expansion based on 3 concept studies

Assessment of the concepts will be carried out on all parameters (not only NPV) in accordance with BHPBIO's Investment System Standard for a PFS



LTE PFS
The Cases

Case	Description
Case 1	**Two Flexible Ports** Based on a four car dumper / four berth port configuration at Port Hedland. Includes installation of Car Dumper 4 (CD4) and upgrading of Berth C at Finucane Island.
Case 2	**Three Independent Ports** Maintains three car dumpers and three export berths. The port material handling system is modified and expanded to maximise use of the three shiploading berths, by revising operating practices and dedicating stockyards to shiploaders.
Case 3	**Spectrum** Fundamentally changes the existing operation with crushing and screening of high grade ores undertaken at Newman. Lumps and fines for each product produced "on grade" at each mine hub.
Others	Hybrids adopting the best ideas in all options

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