

Olympic Dam, Australia



BHP Billiton: A Strategy of Diversification

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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.

Cautionary Note to US Investors

The SEC generally permits mining companies in their filings with the SEC to disclose only those mineral deposits that the company can economically and legally extract. Certain terms in this presentation, including "mineral resources", "measured resources", "indicated resources", "inferred resources", "resource life" and "potential mineralisation" would not generally be permitted in an SEC filing. The material denoted by such terms is not proven or probable reserves as such terms are used in the SEC's Industry Guide 7, and there can be no assurance that BHP Billiton will be able to convert such material to proven or probable reserves or extract such material economically. BHP Billiton urges investors to refer to its Annual Report or Form 20-F for the fiscal year ended 30 June 2009 for its most recent statement of Ore reserves calculated in accordance with Industry Guide 7.

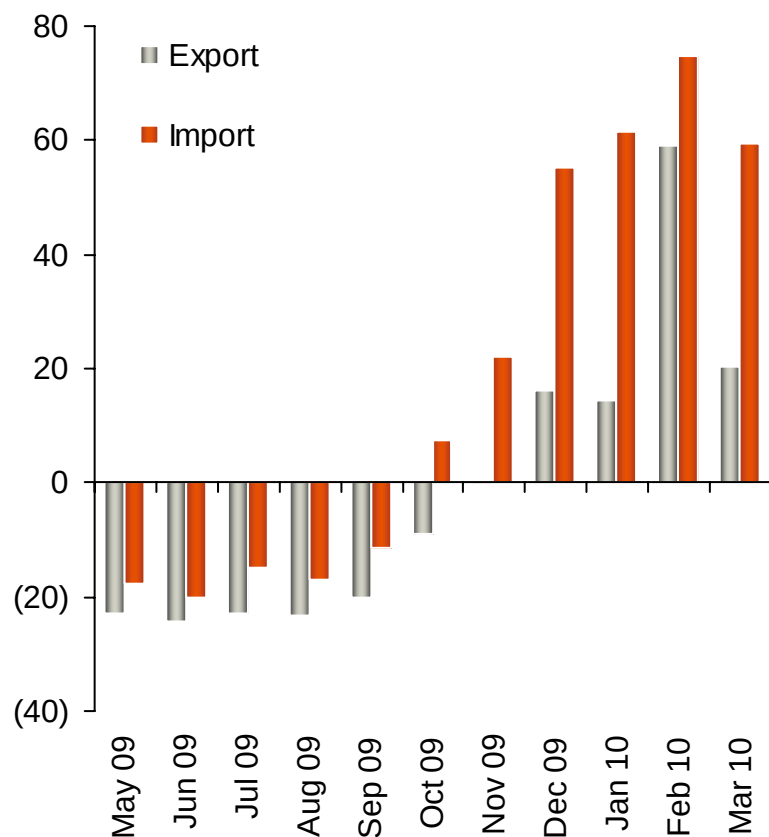
Agenda



- **Industry outlook**
- **BHP Billiton – a strategy of diversification**

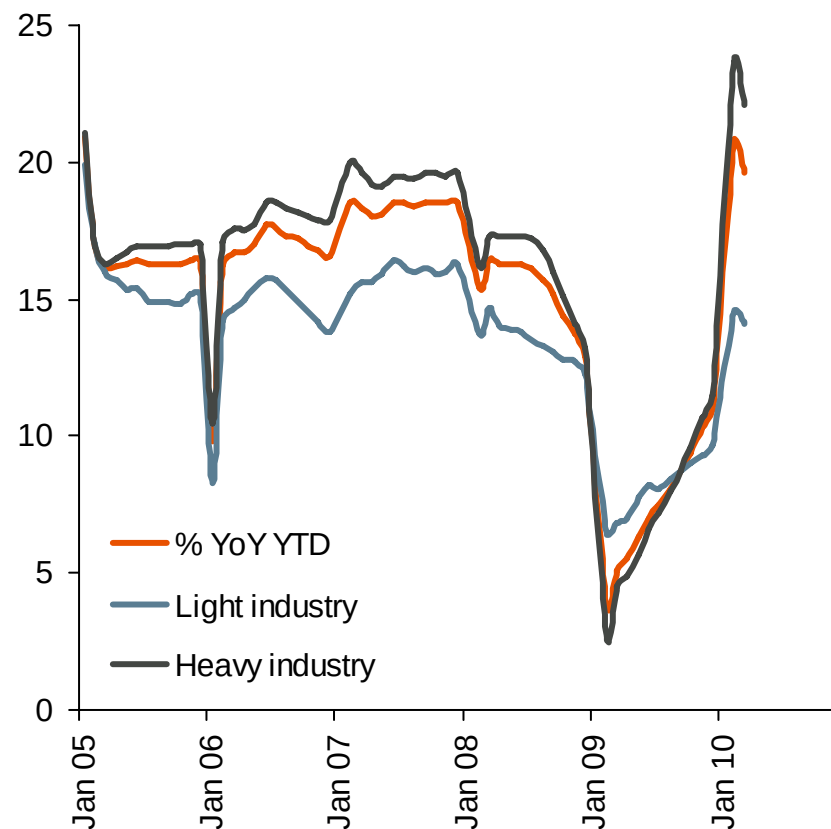
China near term outlook

Trade flows picking up
(% YoY sa)



Source: CEIC.

Robust rebound of industry output
(%)

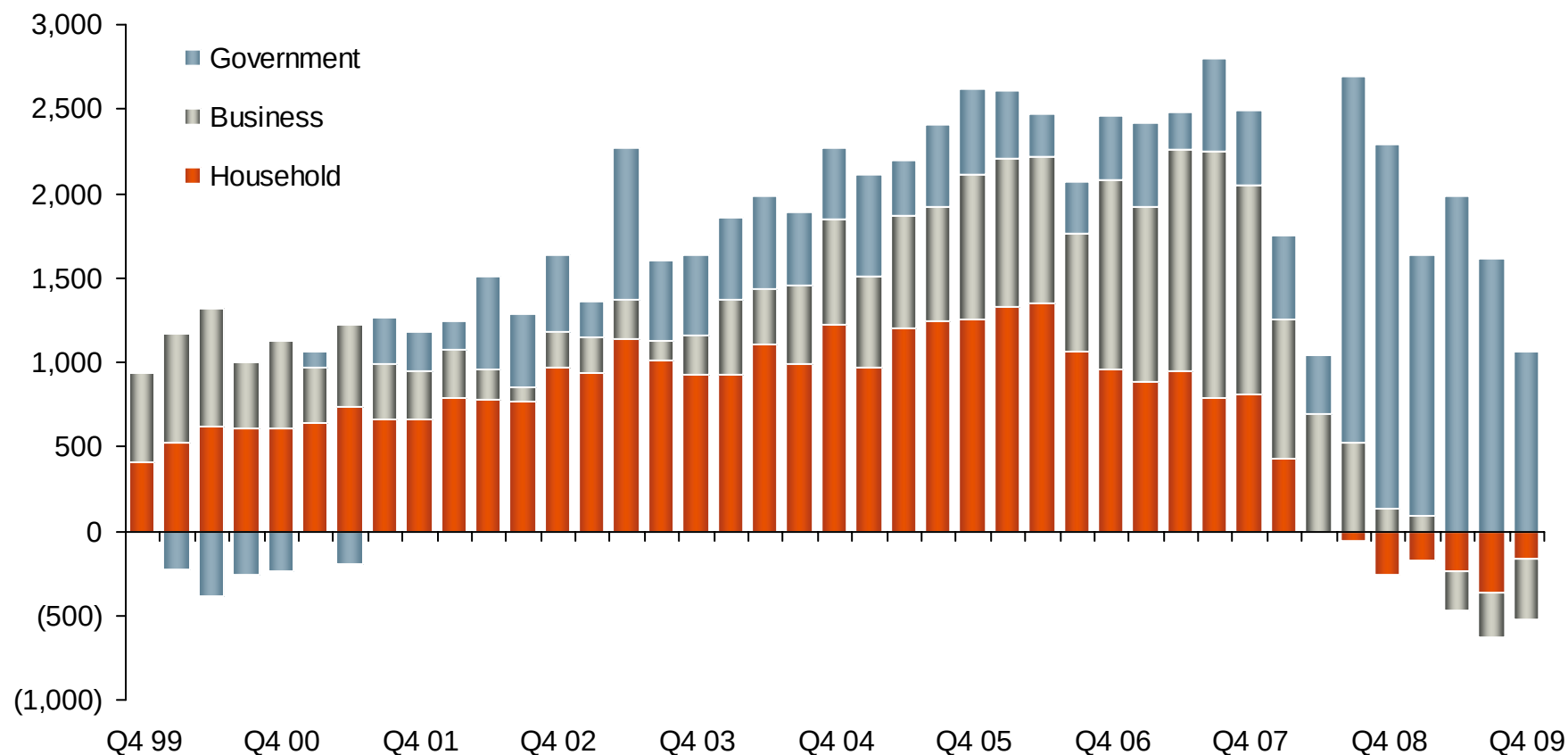


Source: CEIC.

Global near term risks remain

US borrowing by sector (annualised)

(US\$bn)



Source: US Federal Reserve Flow of Funds.
Annualised Borrowing calculated from the quarterly change in debt outstanding.

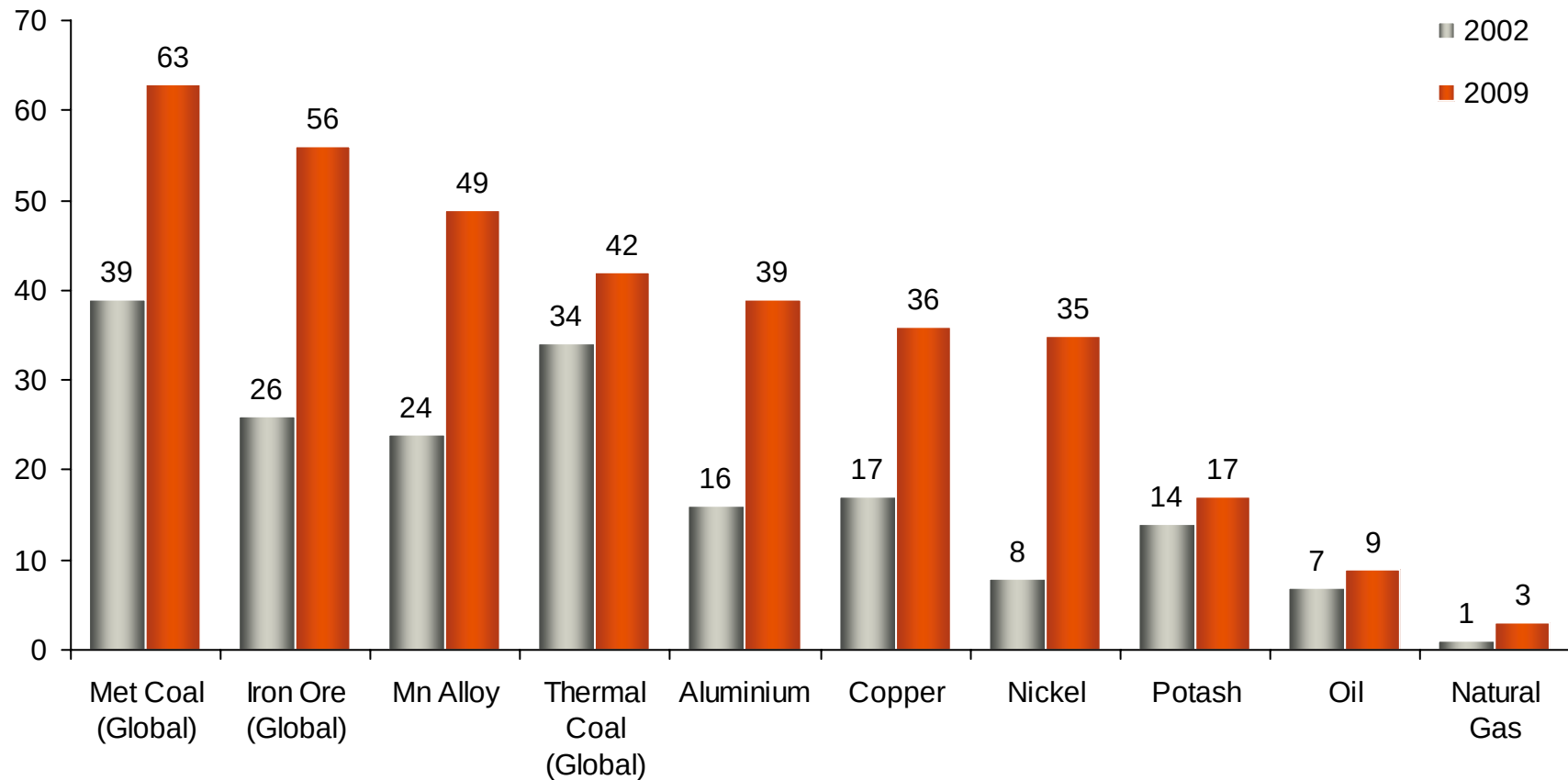
BHP Billiton disappointed with proposed new Australian Mining Tax



- Stability and competitiveness of the tax system are central to the investment in resources in Australia.
- If implemented, the total effective tax rate on Australian operations will increase from ~43% to ~57% from 2013.
- We are not averse to tax reform, but tax reform should be:
 - **Prospective.** Any additional tax must only apply to new investments.
 - **Competitive.** The overall tax rate should not make the Australian mineral resources industry less internationally competitive.
 - **Differentiated.** As current royalties do, any new tax should acknowledge that different commodities have different rates of profitability, and vary accordingly.
 - **Resource-based.** Any new tax should apply only to the actual minerals and not to infrastructure, downstream manufacturing and transport.

China is the major driver of commodity demand

China's share of global demand by commodity (%)



Source: BHP Billiton analysis, import/export statistics, WMBS.

Agenda

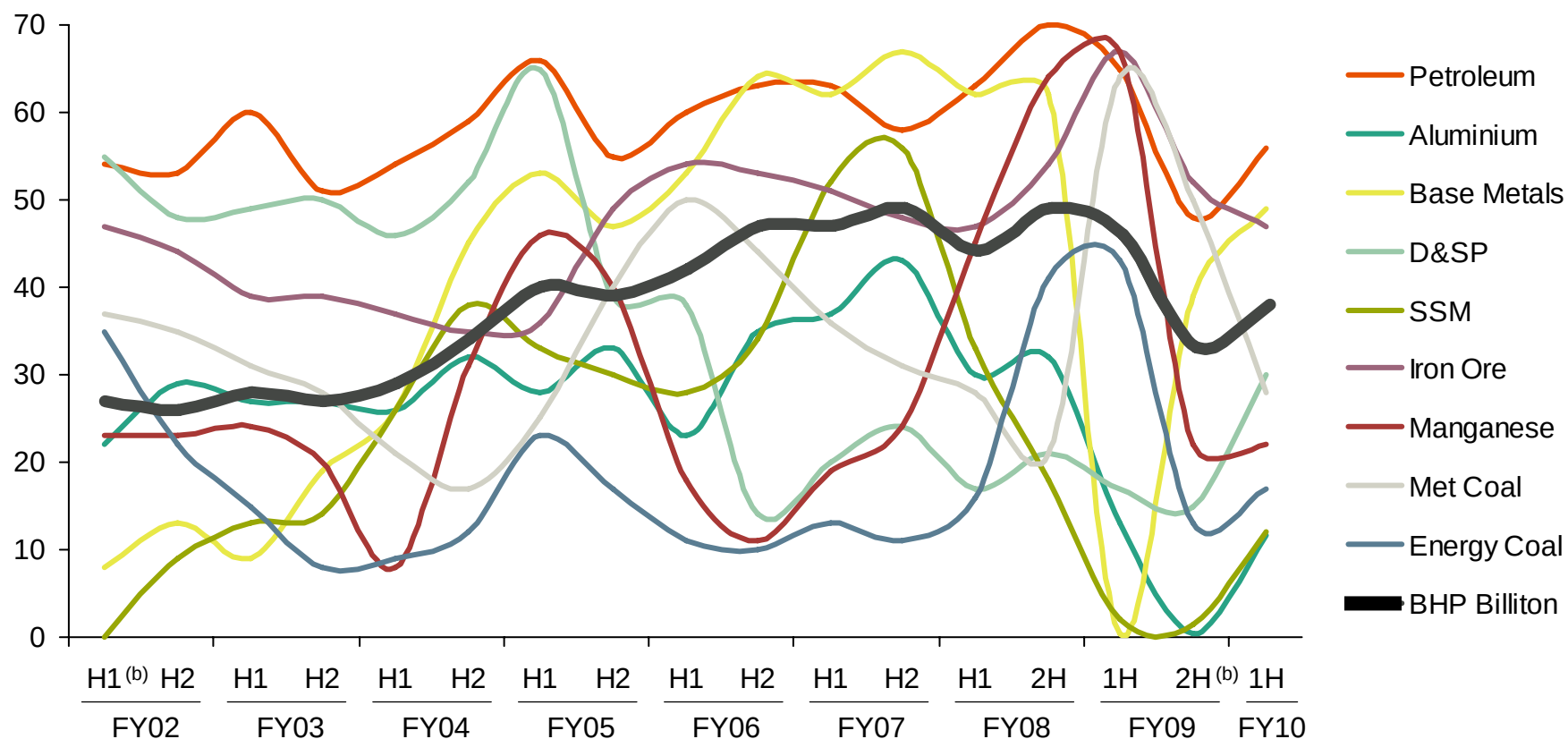


- Industry outlook
- **BHP Billiton – a strategy of diversification**

A strategy of diversification

EBIT Margin^(a)

(%)

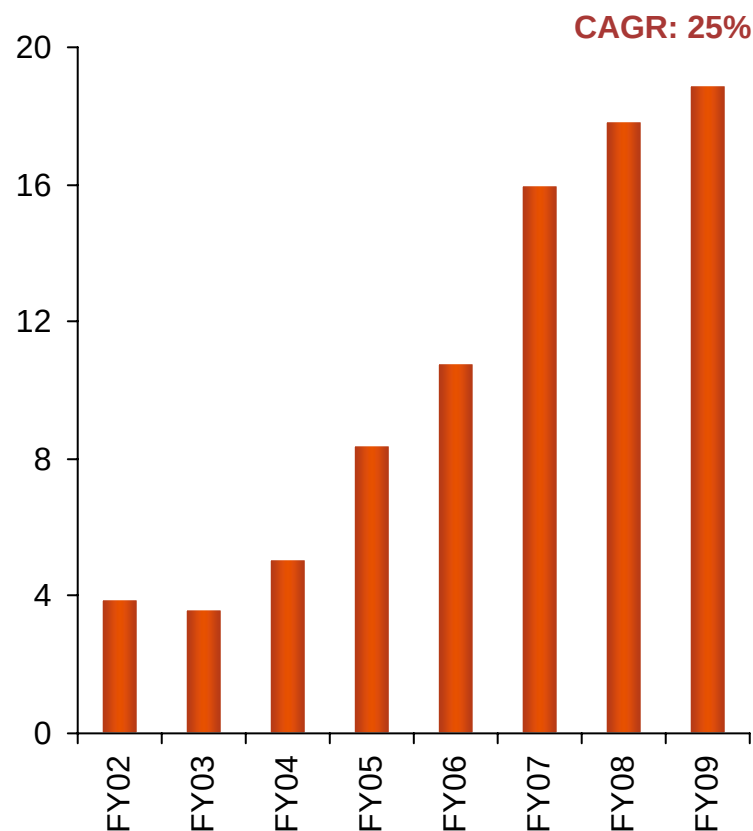


(a) Calculated on the basis of UKGAAP for periods prior to FY05, except for the exclusion of PRT from Petroleum's and BHP Billiton Group's results for all periods. All periods exclude third party trading activities. The Exploration and Technology business has been included in BHP Billiton Group's results from FY02 to FY05 and excluded from Diamonds and Speciality Products.

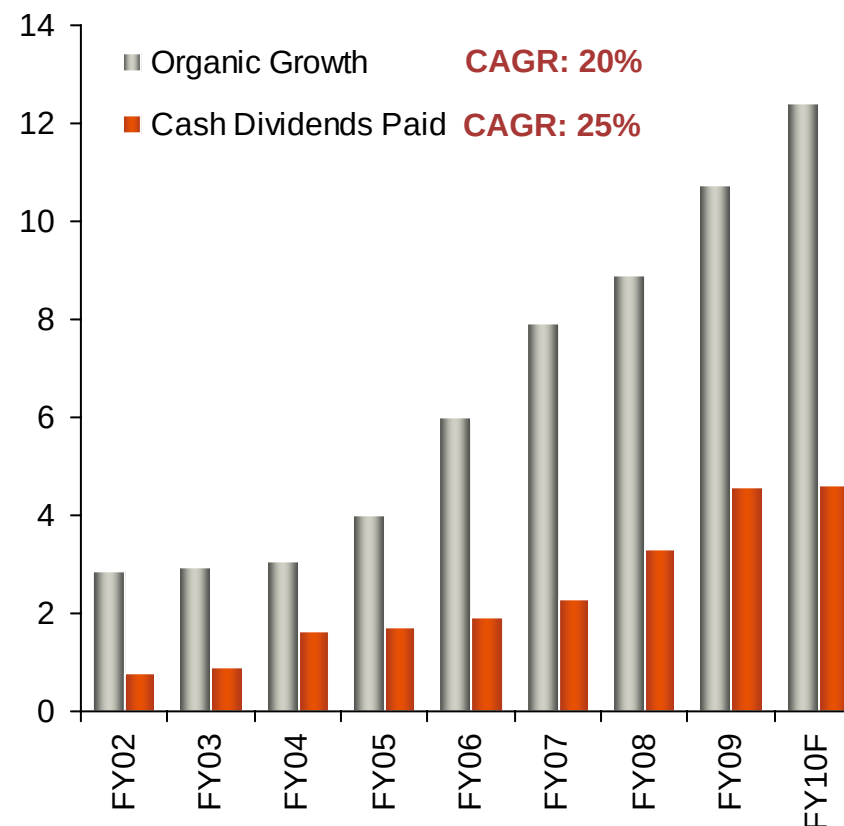
(b) Negative margins are not shown as the y-axis is set at zero. SSM had a negative EBIT margin in H1 FY02, both Base Metals and SSM had negative EBIT margins in H1 FY09 and both Aluminium and SSM had negative EBIT margins in H2 09.

The strength of diversification – more predictable cash flows deliver progressive investment and returns

Net Operating Cash Flow
(US\$bn)



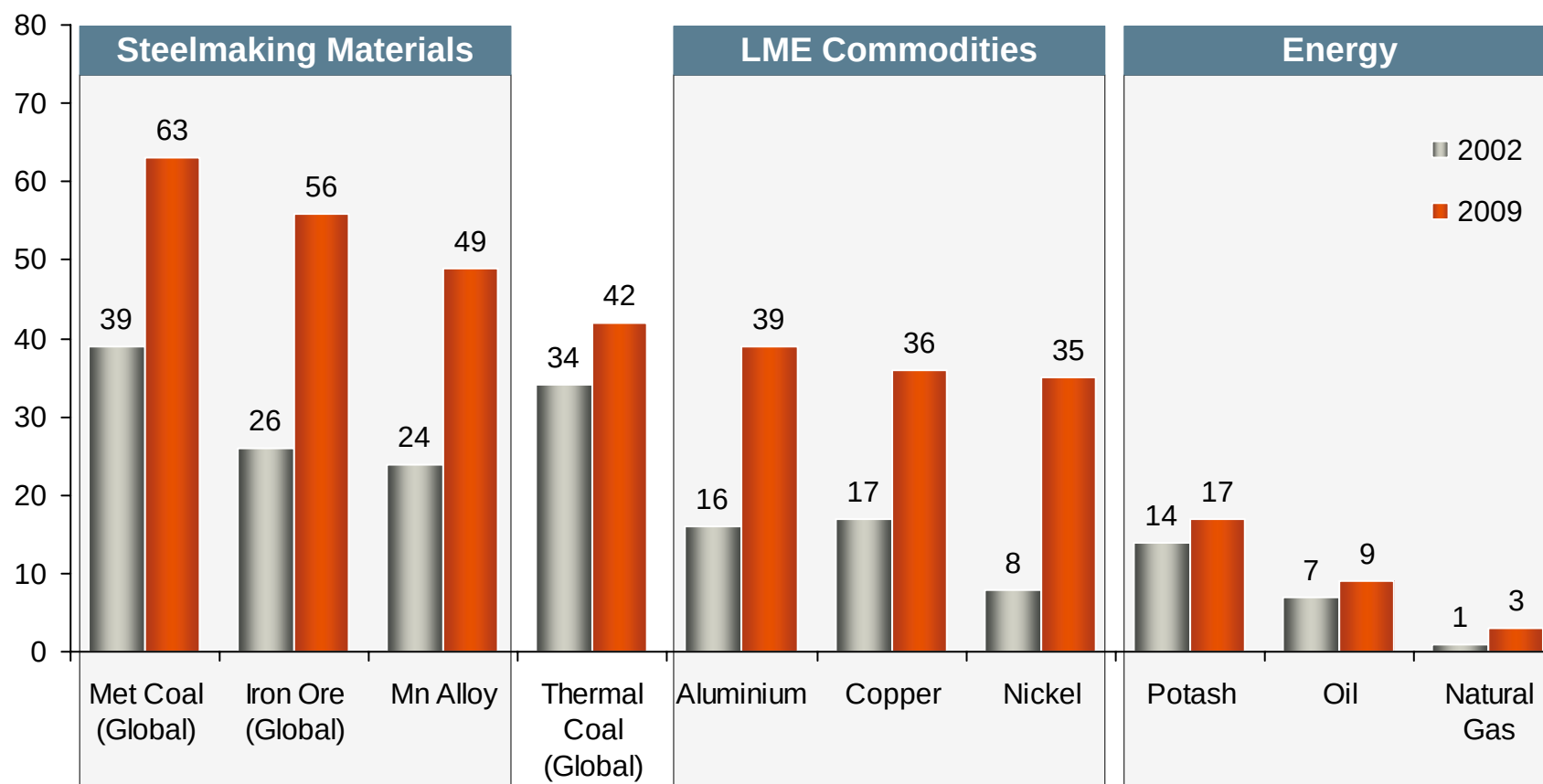
Investments and Dividends
(US\$bn)



Calculated on the basis of UKGAAP for periods prior to FY05.
FY10F Cash Dividends includes dividend paid on 23 March 2010.
Cash flow reflects proportional consolidation of joint ventures for FY07 and future periods.

Diversification is consistent with economic development

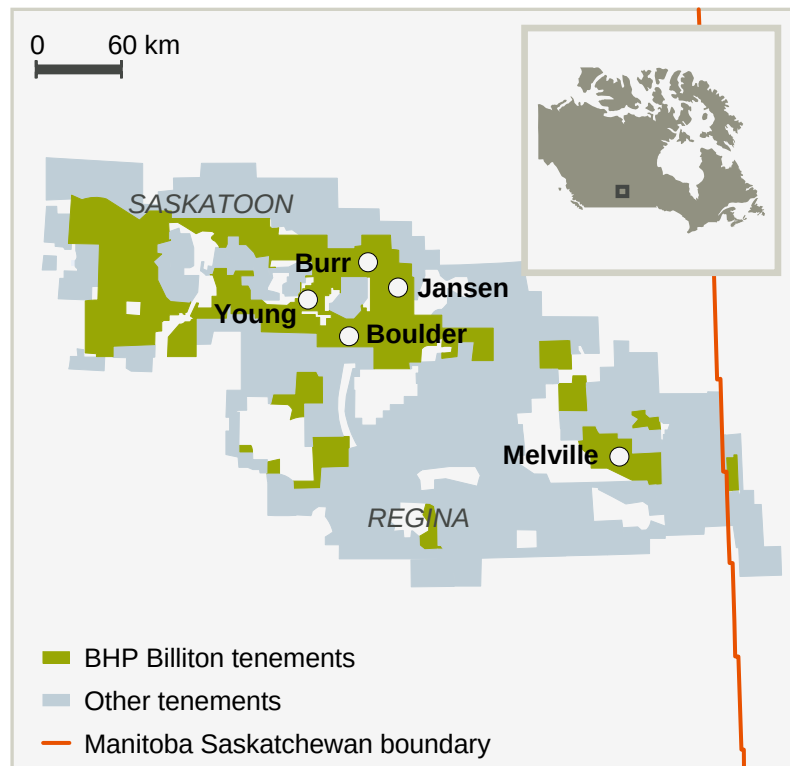
China's share of global demand by commodity (%)



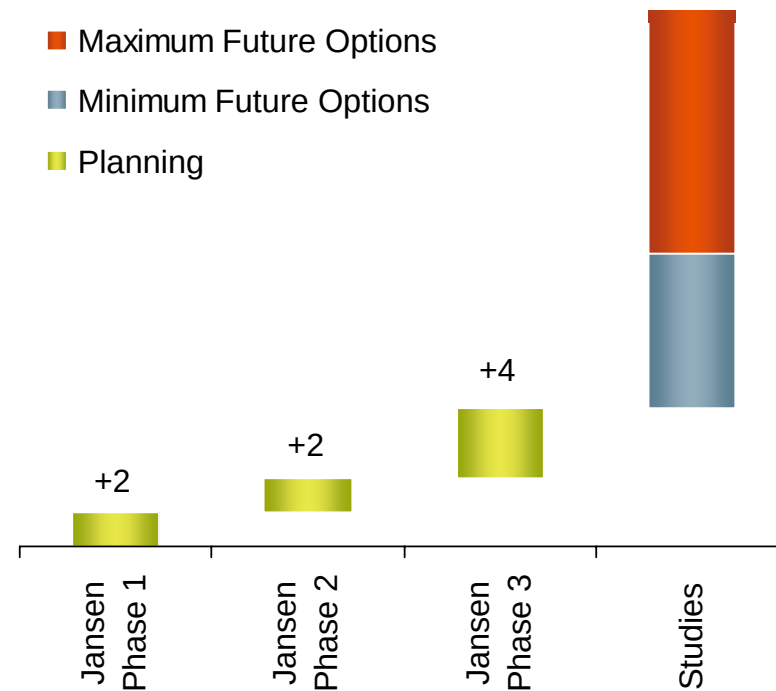
Source: BHP Billiton analysis, import/export statistics, WMBS.

Potash – adding diversification

Potash, Canada



Opportunities in Potash (mtpa)



All references to capacity are on 100% basis. The above diagrams are schematic and for illustration purposes only. Selected mineralisation areas have been indicatively labelled.

Progress in potash

Progress to Date	
Jansen	869 km² 3D seismic 24 new & 28 historical holes - Lower Patience Lake in-situ resource = 3,370 million tonnes @ 25.4%K₂O
Young	379 km² 3D seismic 15 new & 20 historical holes
Boulder	293 km² 3D seismic 7 new & 22 historical holes
Burr	Under assessment in context of BHP Billiton portfolio
Melville	Exploration due to start in July 2010

Aggressive program:

Over the next five years BHP Billiton is planning to complete another 3,100km² of 3D seismic and will drill 100 new holes

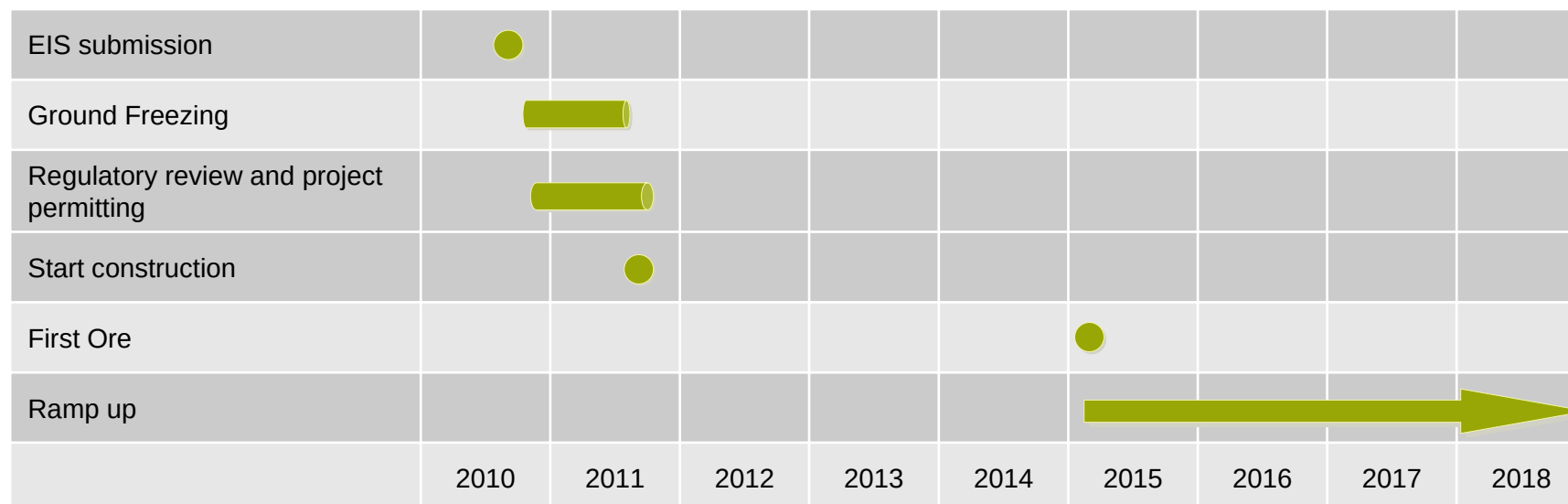
The Mineral Resource information on Jansen in this slide was compiled by J.McElroy (MAusIMM) BHP Billiton, B.Nemeth (MAusIMM) BHP Billiton, A. D. Mackintosh (APEGGS) A.D.M Consulting who have sufficient experience to qualify as Competent Persons and who consents to publication of the estimates in the form and context in which they appear above. Full tabulation of the Jansen Mineral Resource is provided in the News Release dated 7 June 2010 and available on www.bhpbilliton.com

Jansen – the most advanced project

Status of Jansen:

- Selected the location of surface facilities
- Preparing to start ground freezing
- Pre-commitment funding of US\$240 million

Jansen Project Proposed Implementation Target Dates



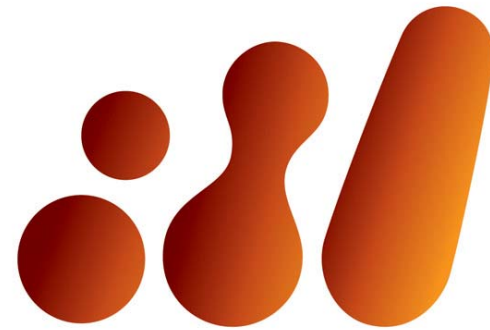
Proposed project schedule is subject to internal and external approvals

Diversification based on a portfolio of Tier 1 resource positions

- Near-term uncertainties still remain
- Robust long term demand outlook for our products
- BHP Billiton managing risk, uncertainty and opportunity through a strategy of diversification to create long term shareholder value



Escondida, Chile



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resourcing the future