

Australian Journal of Mining 7th Global Iron Ore and Steel Conference

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Graeme Hunt

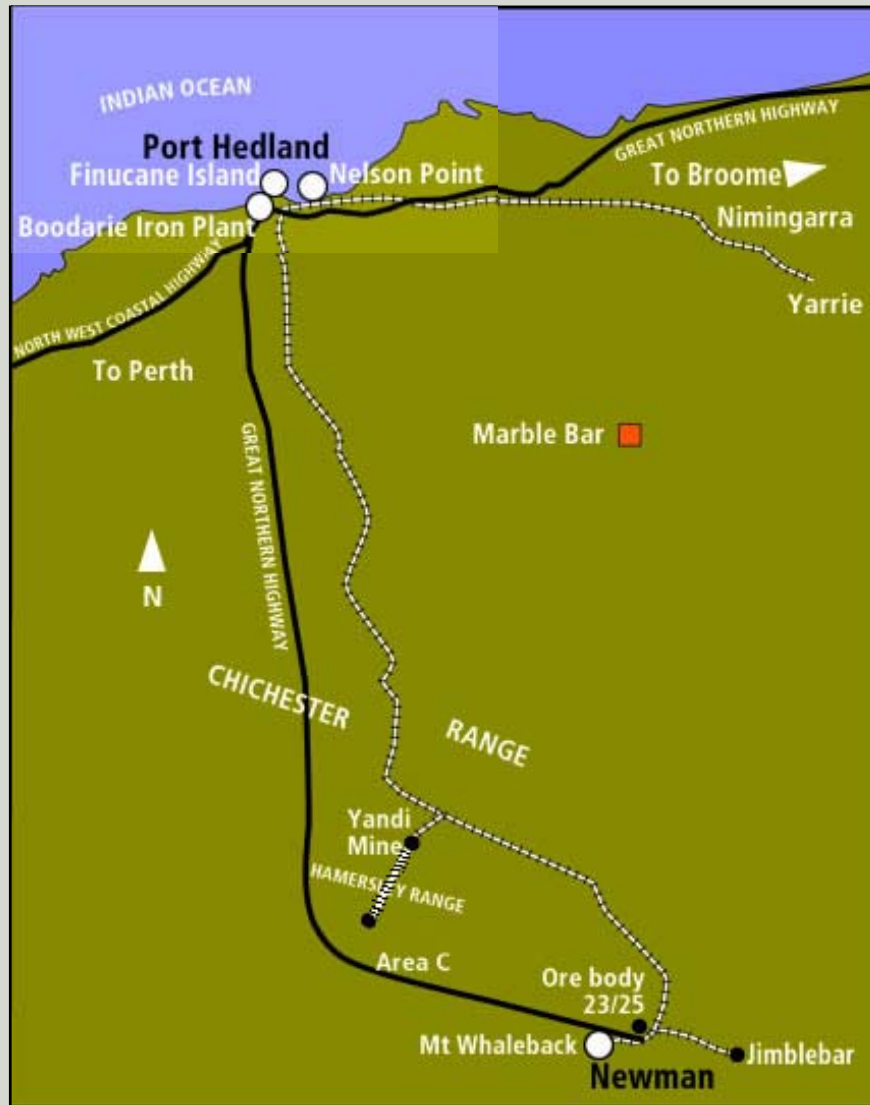
President, WA Iron Ore and Boodarie Iron



My message today ...

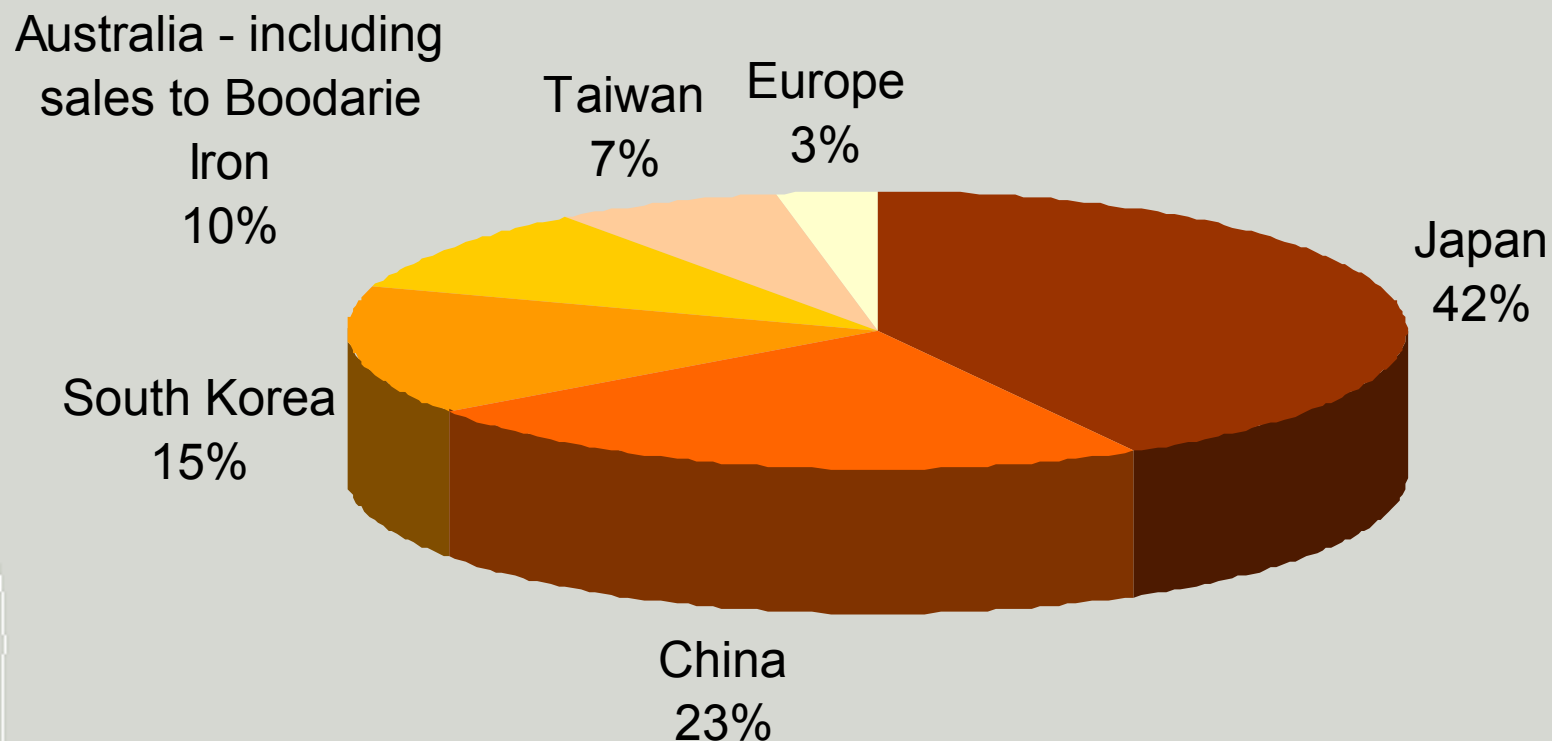
- **We have consistently expanded production to meet customer demands**
- **High quality and abundant resource base**
- **Committed to low – cost, flexible expansion to meet future demand**
- **Benchmark technical support**

BHP Billiton Iron Ore Pilbara Operations



BHP Billiton Iron Ore Customers

Financial Year 2003 Total = 80.3Mwt



Mineral Resource Base

Ore Type	Resource
Brockman low P	1370
Brockman high P	1540
Detrital (lump)	75
Marra Mamba	2065
Pisolite	1420
Yarrie	95

Iron Ore Products - Hematite

Mt. Newman Joint Venture

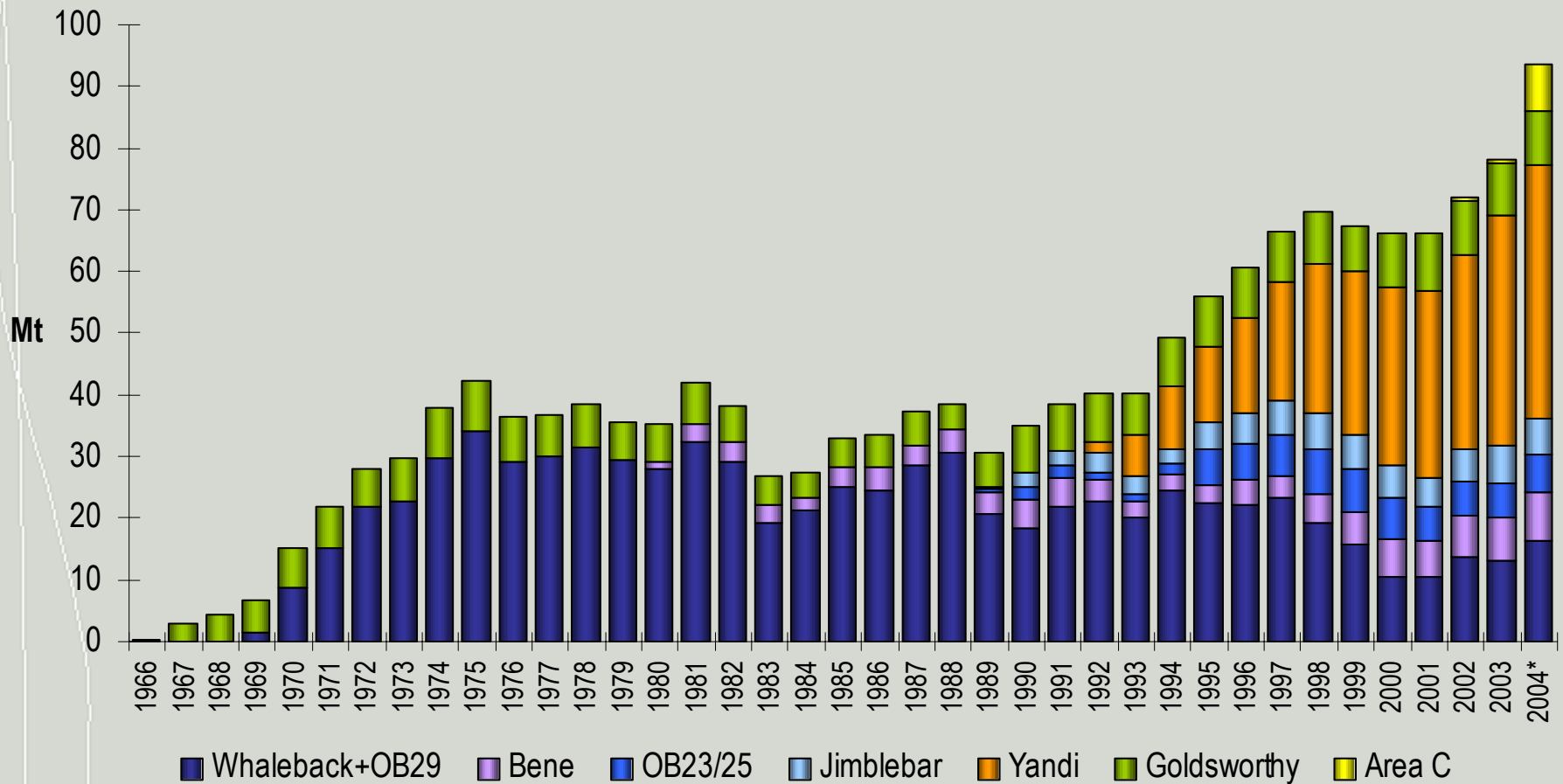
- High Grade Lump
- High Grade Fines
- Sinter Fines (Hematite/Pisolite)

Mt. Goldsworthy Joint Venture

- High Grade Lump
- High Grade Fines
- Siliceous Run-Of-Mine

Production History since 1966

Million Wet Tonnes



Iron Ore Products – Marra mamba and Pisolite

Area C Joint Venture

- MACTM Lump (Marra Mamba)
- MACTM Fines (Marra Mamba)

Yandi Joint Venture

- Yandi Fine Ore (Pisolite)
- Yandi Lump Ore (Pisolite)

Best Half Year On Record

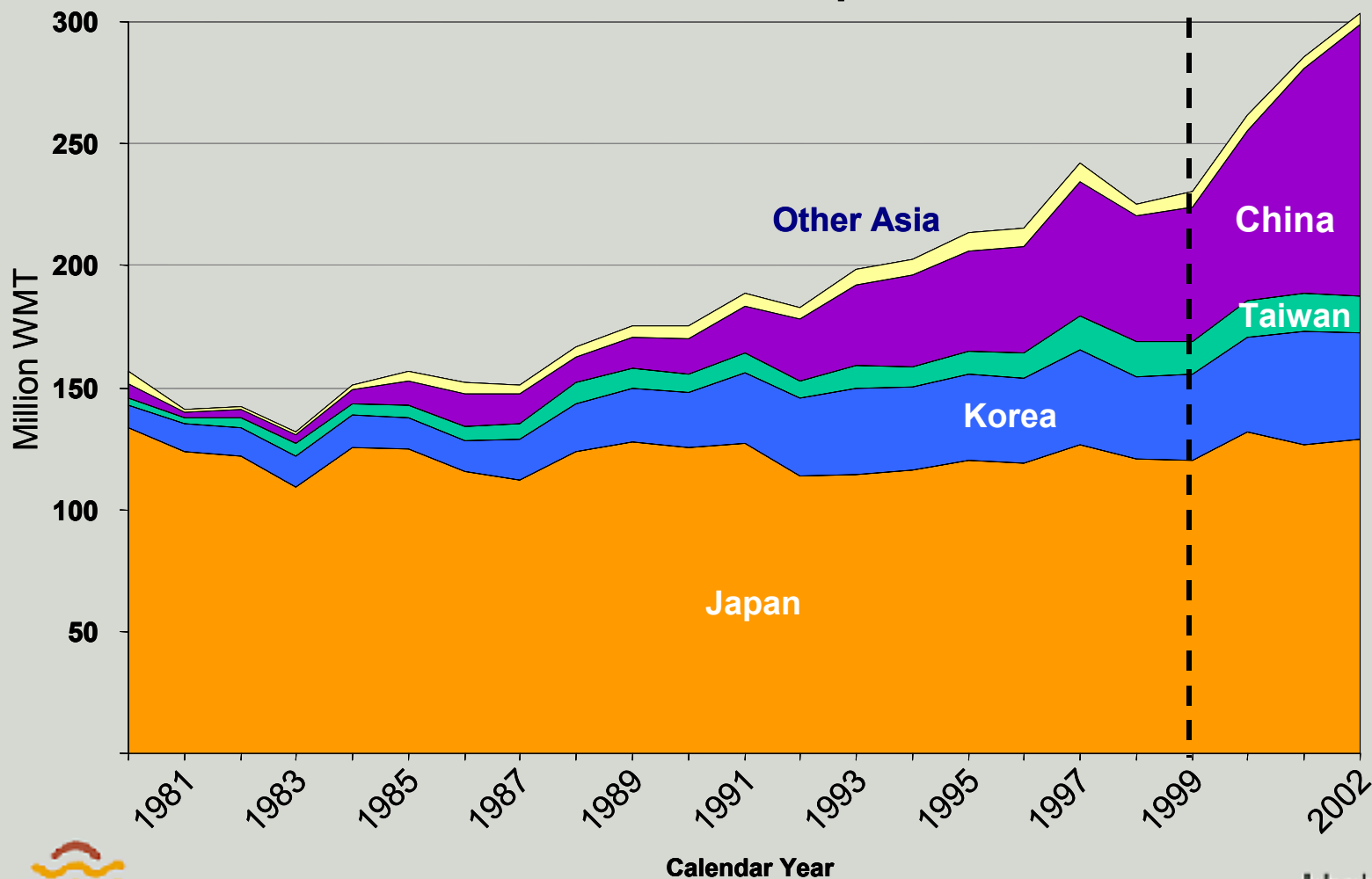
- Iron Ore Shipments 44.0Mwt

- Iron Ore Production 45.0 Mwt

- Boodarie Iron Production 1.03 Mt

Asian Market Growth

Asia's Iron Ore Imports



Industry Dynamics

- Global - 1 billion tonne production
- China steel consumption doubling in less than 5 years
- China now largest iron ore importer
- China demand - 100% increase from 2000 to 2003

Industry Dynamics – the future

- Security of supply critical
- Increased emphasis on value
- Wider range of ore types
- Technical understanding and market support

Meeting the Challenges

- Sustaining a strong underlying business that continually strives to deliver operating improvements and efficiencies

- Aligning our products with the marketplace and providing benchmark technical support

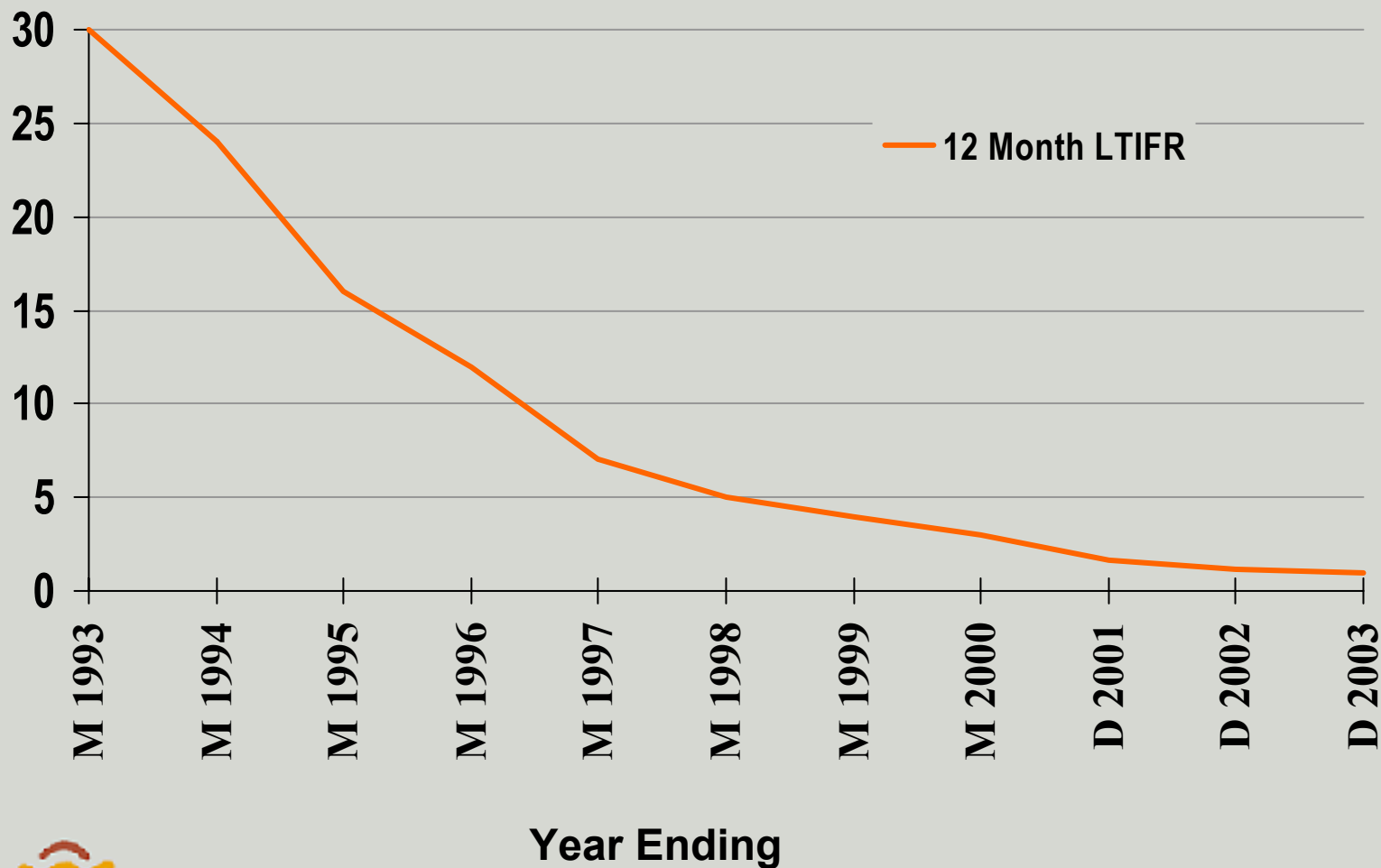
- Capacity expansion projects that will allow us to manage changes in demand

BHP Billiton Iron Ore – Operating Excellence

- Highly engaged in OE and Six Sigma Improvement Methodology
 - 23 business improvement coaches
- Some examples:

- Dual Stacking Yandi Fines
- Haul Trucks

Our Improving Safety Performance



Sustainability

- Working in partnerships is critical
- Eco-efficient management plans
- Maintaining ISO14001 accreditation
- Independent reputation benchmark survey
 - \$3.5 million to local communities
- \$300 million to Government in 2002-03

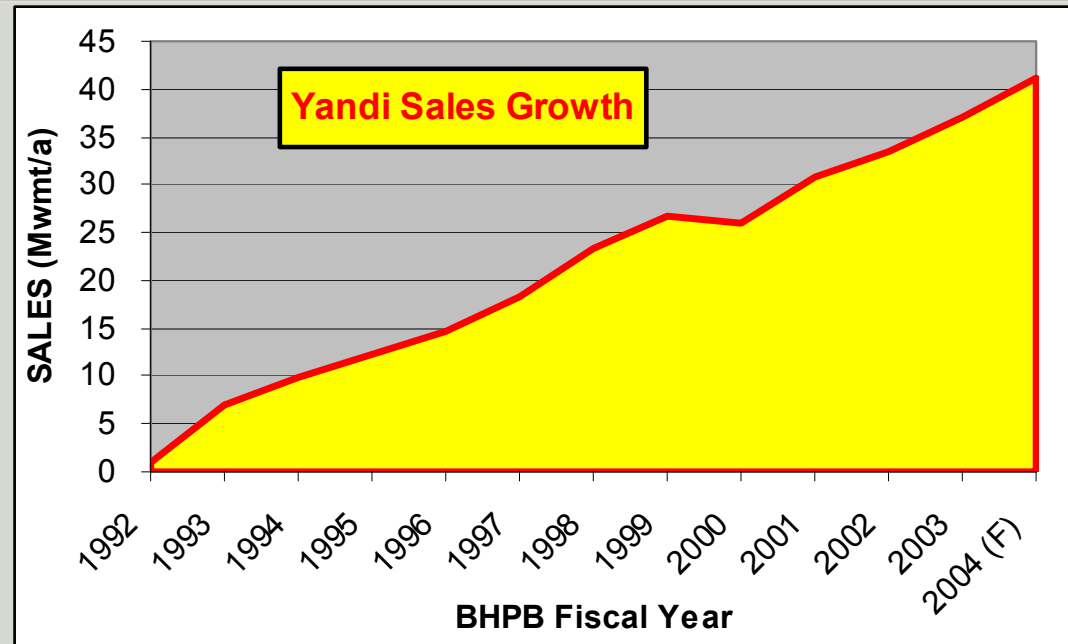
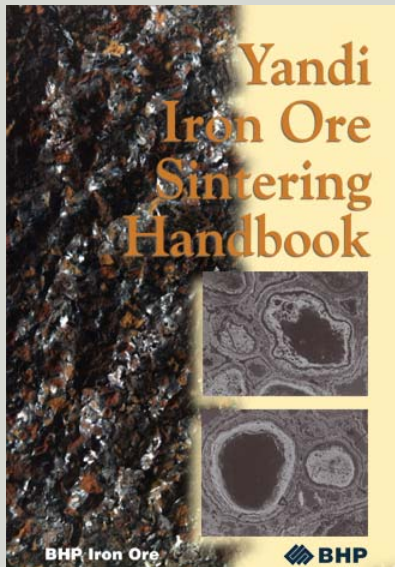
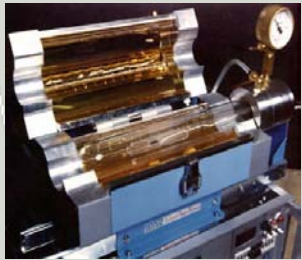
Product development

- MACTM has now added Marra Mamba products
 - 1.0Mwt bulk sample shipments
 - 1.5Mwt commercial shipments since September 2003 and ramping up with PACE
- We continue to study how best to develop our large and varied resource base to meet emerging customer demand

Technical support drives Yandi success

Initial sintering challenges

Technological advances required



BHP Billiton's Newcastle Technology Centre was at the forefront of the *Yandi Iron Ore Sintering Handbook*.



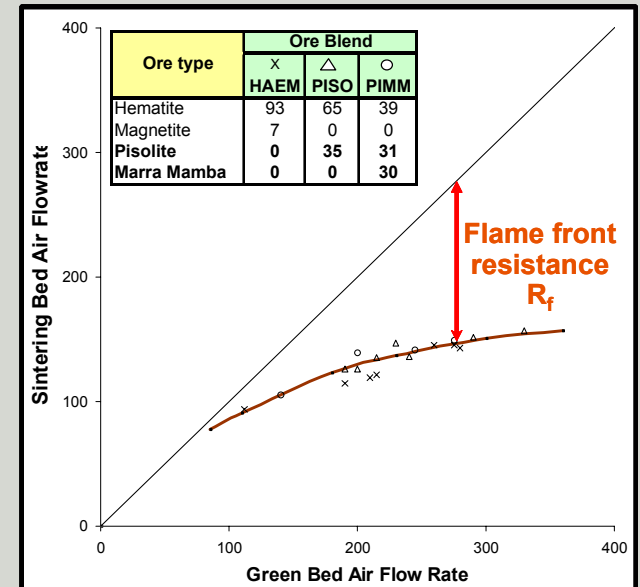
Major breakthrough with Marra Mamba



NTC - first in the world to measure the resistance to air flow of the critical flame front zone in sintering.

Marra Mamba ore (MACTM)

- no effect on flame front resistance if correctly sintered



Products and Capacity Expansion



Aerial view of PACE during first shiploading –
30 January 2004

Our expansion success

- Ahead of time and under budget
- POSCO Joint venture
- 1 million tonne bulk sample of MACTM
- 5.5% indigenous workforce
- 85% (A\$850,000) local content
- Local employment shopfronts

Rapid Growth Project

- 10 million tonnes per annum
- A\$145 million
- 110 Mtpa capacity by end CY2004

Feasibility study

- 145 Mtpa over longer term
 - ❖ 60Mtpa - Newman JV mines
 - ❖ 40Mtpa - Area C
 - ❖ 45Mtpa from Yandi.

Our Health Safety, Environment and Community Commitment

- growing community expectations

- toughening environmental standards

- Social Impact Assessment

Conclusion

- World Leader

- Quality Asset Base

- Large Product Range

- Expanding production

- Technical support
