

Samarco Mineração S/A

Presentation to Analysts June 2005



Graeme Hunt, President BHP Billiton Iron Ore

Iron Ore



Geographic Location



A fully integrated industrial process exporting 100% of its output



Mining

Beneficiation

Transportation

Pelletizing

Exportation

Description of Samarco

- Brazilian mining company owned equally by BHP Billiton and CVRD
- Samarco has two industrial facilities:
 - One in the state of Minas Gerais where Samarco carries out its extraction and beneficiation activities (Germano – municipality of Mariana), with a capacity of producing 16.5 wet million tons of concentrate per year, and
 - The other in the state of Espirito Santo where the two pellet plants with capacity of producing 14 million tons of pellets per year and the port facilities are located (Ponta de Ubu – municipality of Anchieta)
 - The two facilities are linked by a 396 Km iron ore slurry pipeline
- Samarco was the second largest pellet exporter, with 17% market share of seaborne pellets in 2004

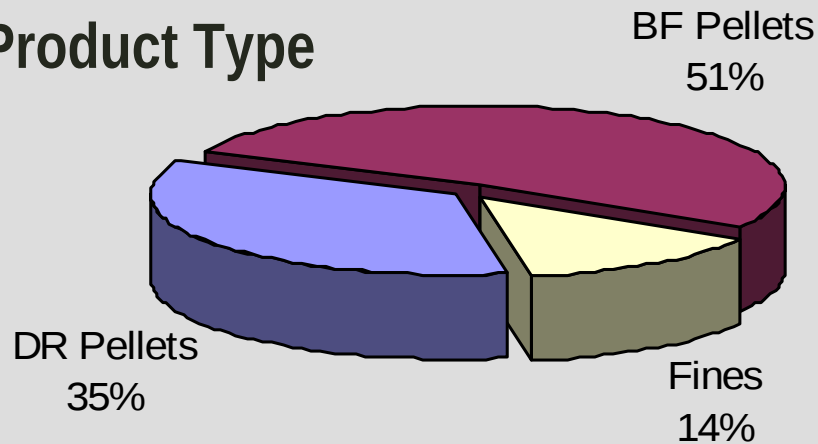
Samarco – Production and Shipments

BHP Billiton terms, 1000 net tonnes

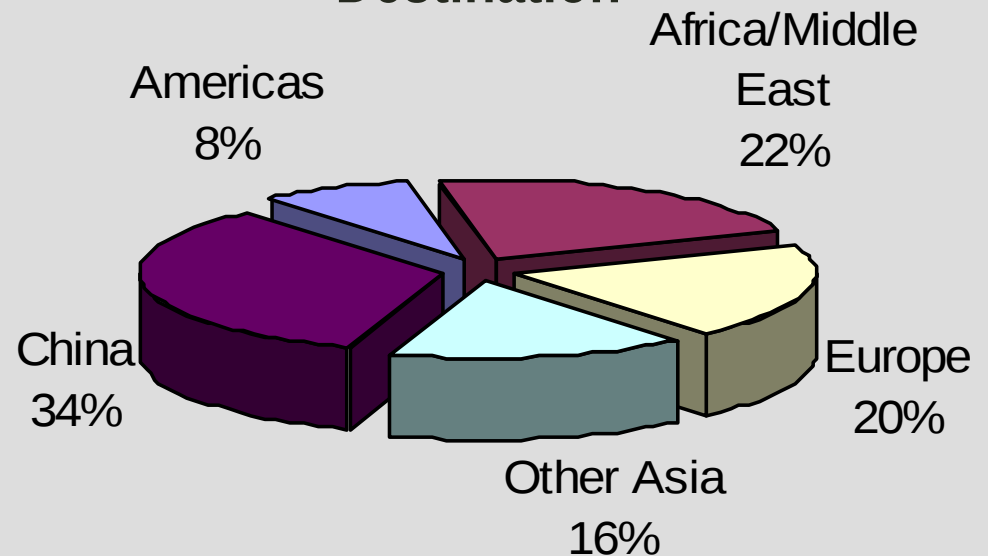
	Quarter Ended				Nine Months Ended		
	March 2004	June 2004	Sept 2004	Dec 2004	March 2005	March 2005	March 2004
Production	1862	1936	1918	2050	1823	5791	5789
Shipments	1918	1994	1976	2142	1768	5886	5817

Samarco Sales Mix CY2004

Product Type



Destination

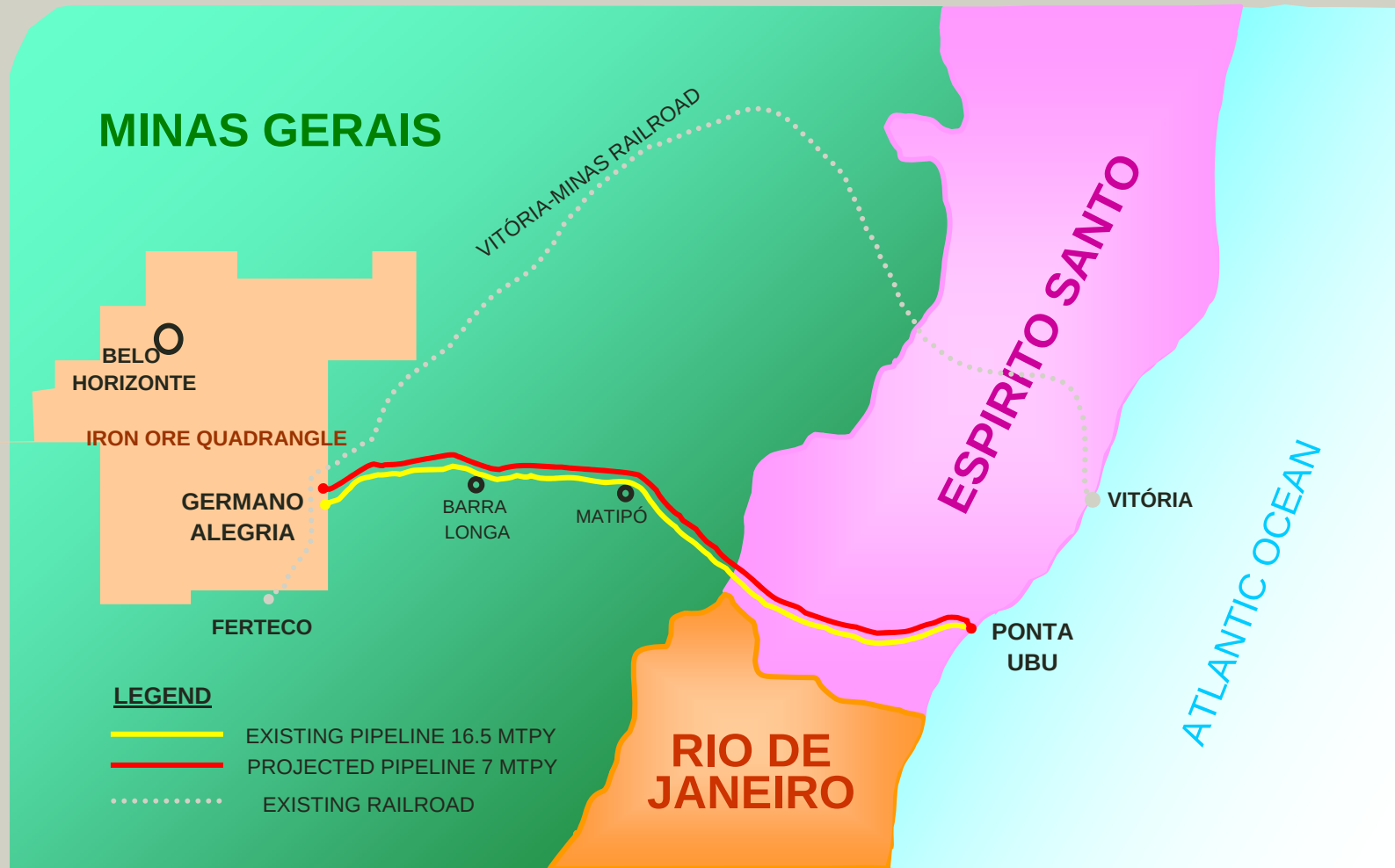


Samarco – Half year ended 31 December 2004

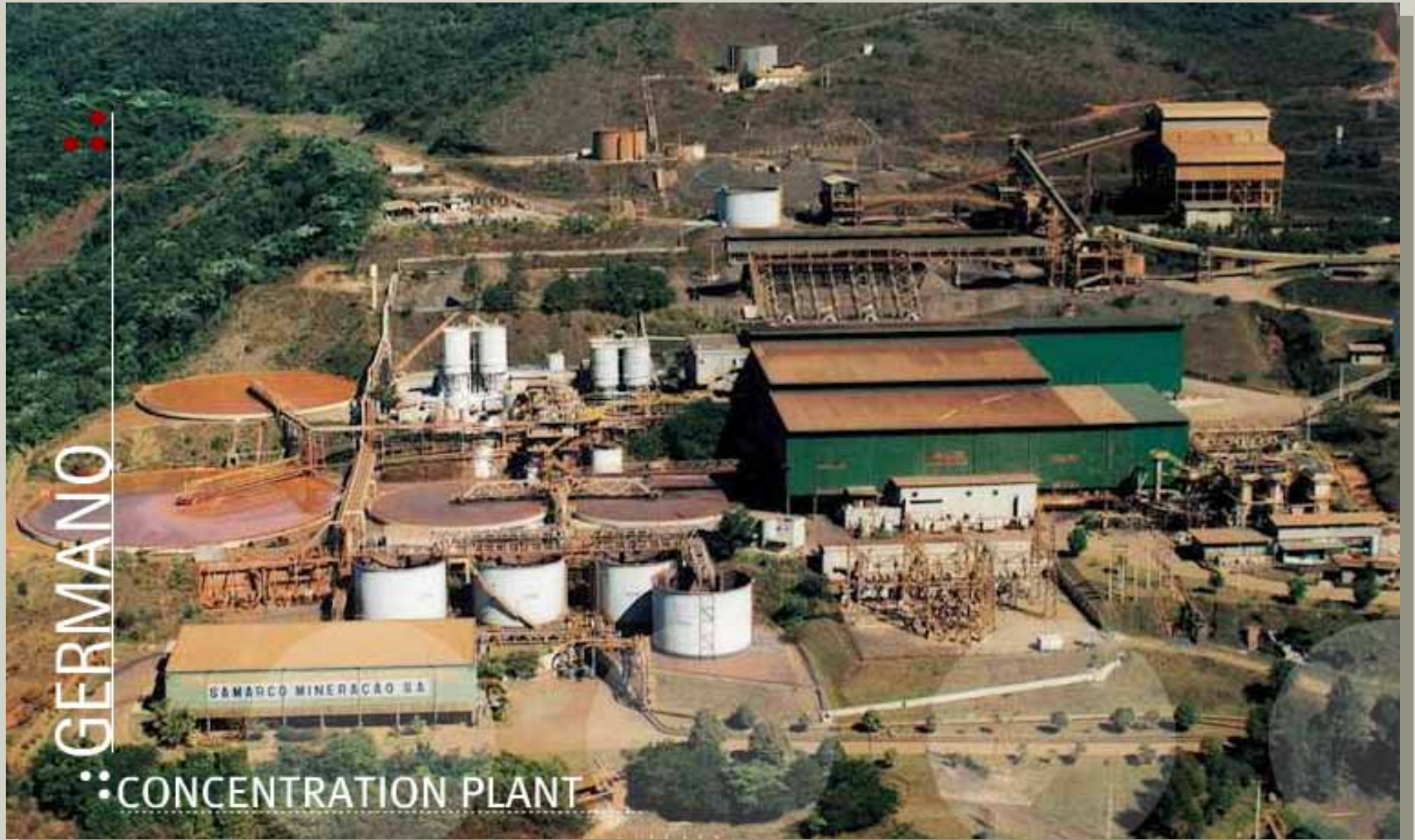
BHP Billiton terms, US\$million

	Half Year Ended				
	Turnover	EBITDA	Depr. Amortisation	EBIT	Net Operating Assets
2004	170	77	10	67	391
2003	152	56	13	43	362
% Change	12%	38%		56%	

Samarco Sites



Germano Facilities



Ponta Ubu Facilities



Samarco Expansion

- Building on Samarco strengths:
 - Second largest pellet export worldwide
 - Low cost base: among the lowest pellet cost producers in the world
 - Strong cash generation: growing EBITDA margin (over 50% in 2004)
 - Extensive iron ore reserves: +30 years measured reserves
 - Strong customer base: long term commercial relationship with customers
 - Positive market outlook for pellets in both DR and BF market segments
- Currently completing reviews of Feasibility Study:
- Anticipate Board sanction in first half of FY2006 with production startup 1st half 2008
- Key project elements:
 - New concentrator
 - New 7mtpa pipeline adjacent to current pipeline
 - 3rd pellet plant 7.5mtpa capacity and associated port/stockpile works