

# BHP Billiton Carbon Steel Materials

JB Were 7<sup>th</sup> Annual Resource Conference  
25 July 2003

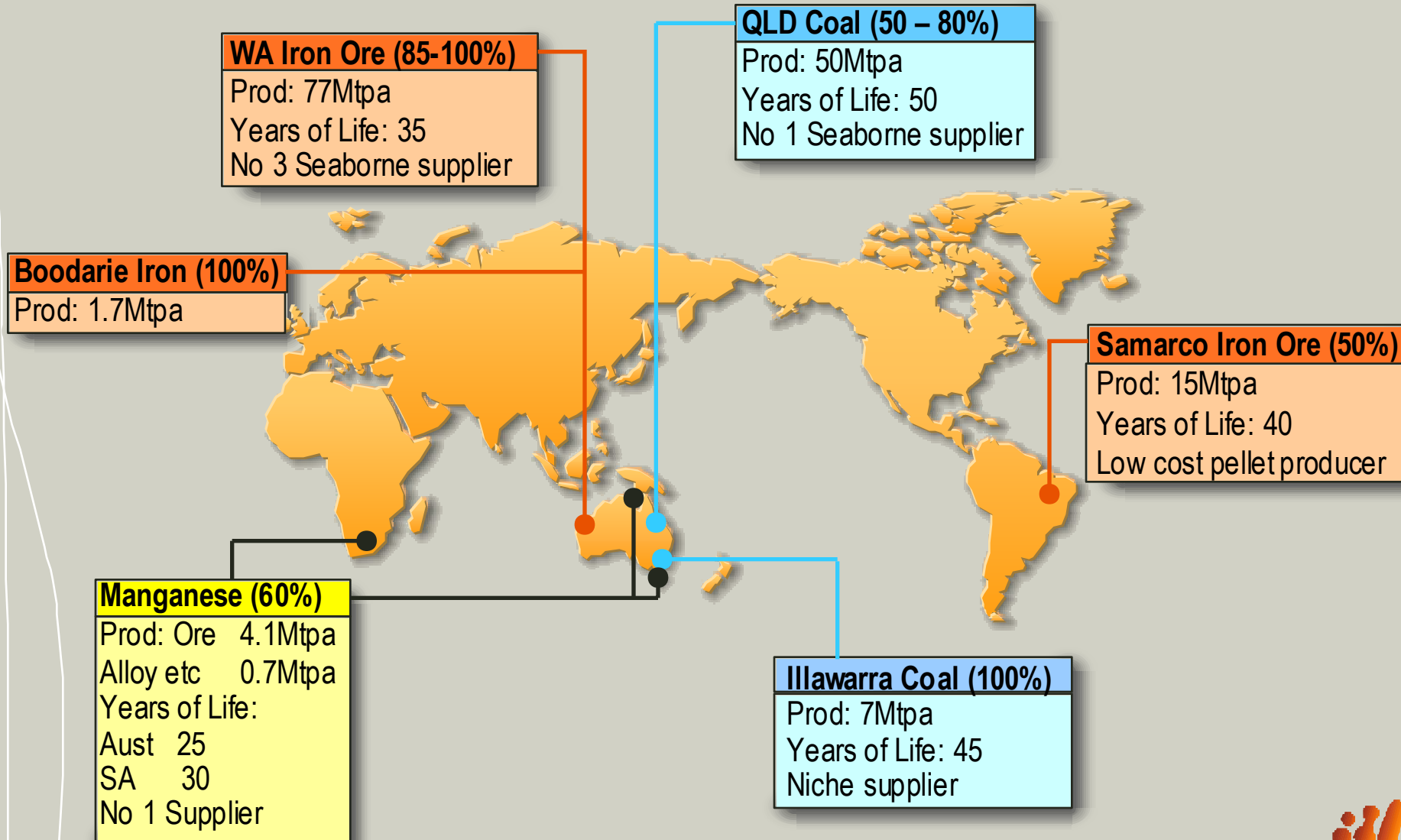
R.W. Kirkby  
President Carbon Steel Materials



# BHP Billiton Carbon Steel Materials

- The world's largest supplier of steel making raw materials
- Impressive portfolio of long-life, high-quality and low-cost iron ore, metallurgical coal and manganese assets
- World class supporting infrastructure
- Ranked number one in the seaborne supply of metallurgical coal and manganese and number three in iron ore

# Carbon Steel Materials Assets



100% nominal production capacity

A map of China is shown in a dark grey color, centered on a light grey background. The word "China" is written in a large, bold, orange font across the middle of the map. Below it, the text "A Key Opportunity For Carbon Steel Materials" is written in a bold, black, italicized font with a white outline. The map shows the coastline of China and its surrounding waters.

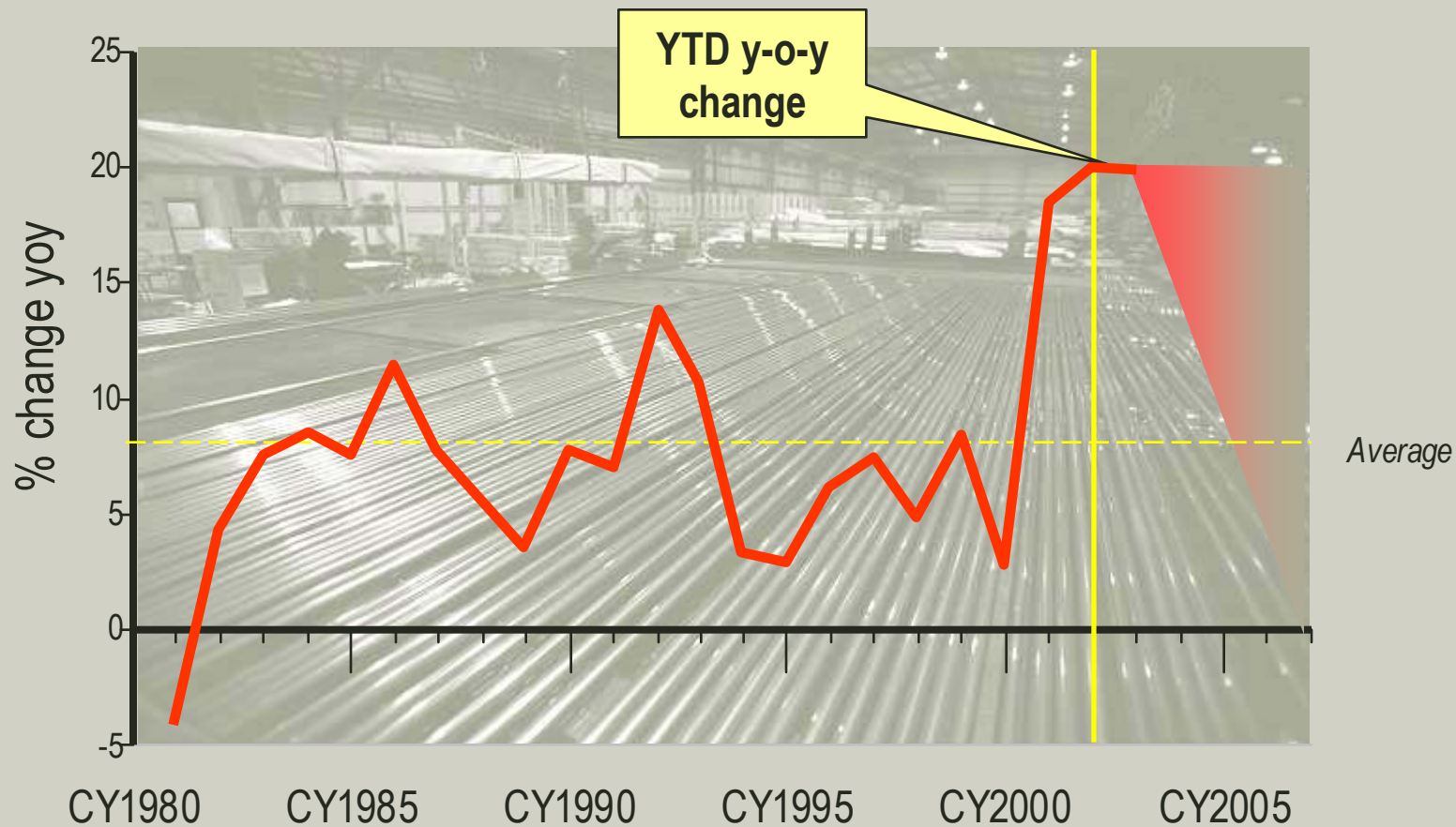
**China**

***A Key Opportunity For  
Carbon Steel Materials***

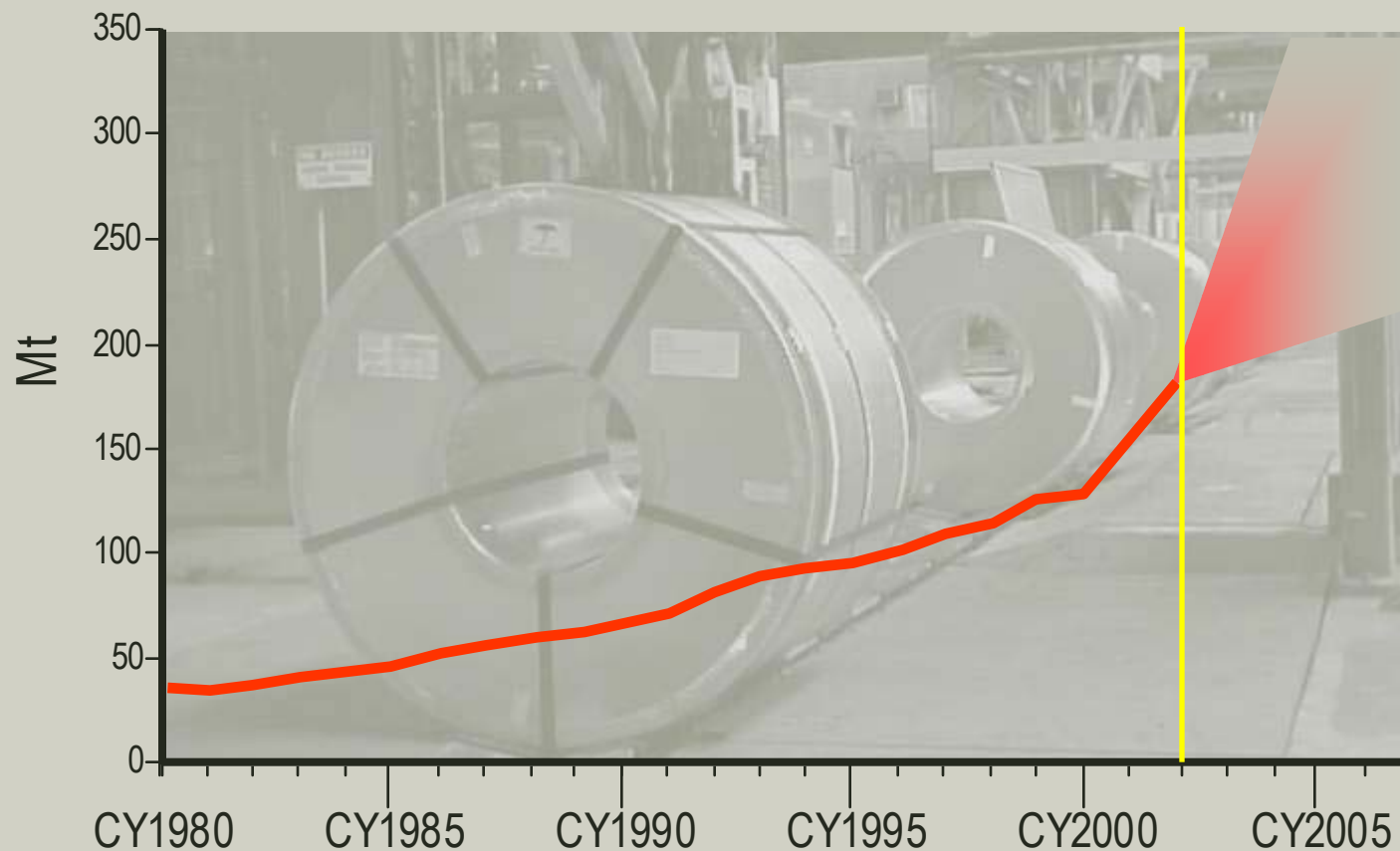
## China – A Key Opportunity For CSM

- Global steel production was >900Mt in 2002 – with China the driving force
- Over the past decade Chinese steel production has grown by 8.4% per annum – This rate has doubled since 2000
- China is now the world's number one producer of steel with production expected to break the 200Mt barrier in 2003

# Chinese Crude Steel Production - % Change YOY



# Chinese Crude Steel Production



**Crude Steel Production CAGR**

| CY82 - 92 | CY92-02 |
|-----------|---------|
| 8.1%      | 8.4%    |

# Chinese Iron Ore Imports



Iron Ore Imports CAGR

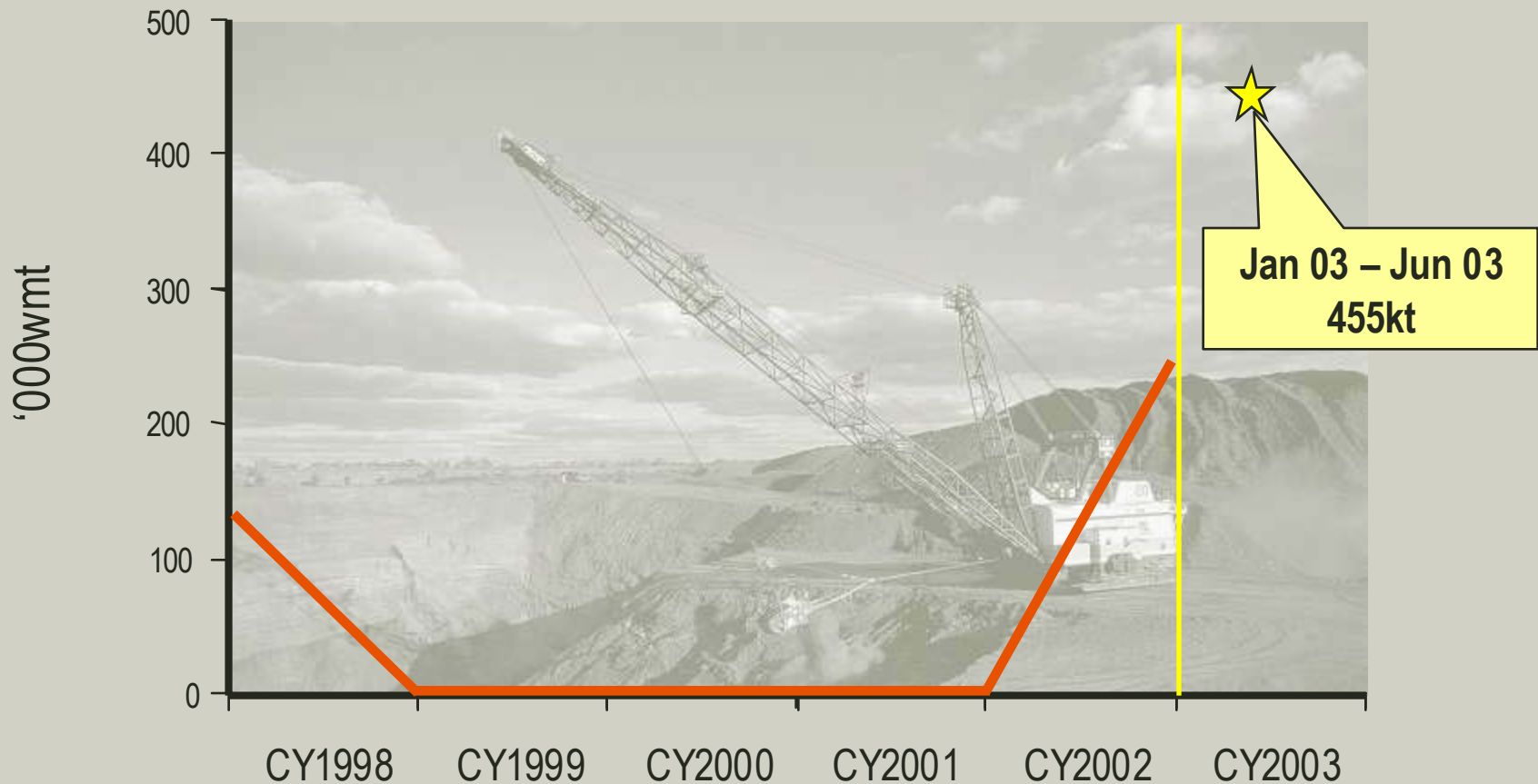
| CY82 - 92 | CY92-02 |
|-----------|---------|
| 20.7%     | 17.3%   |



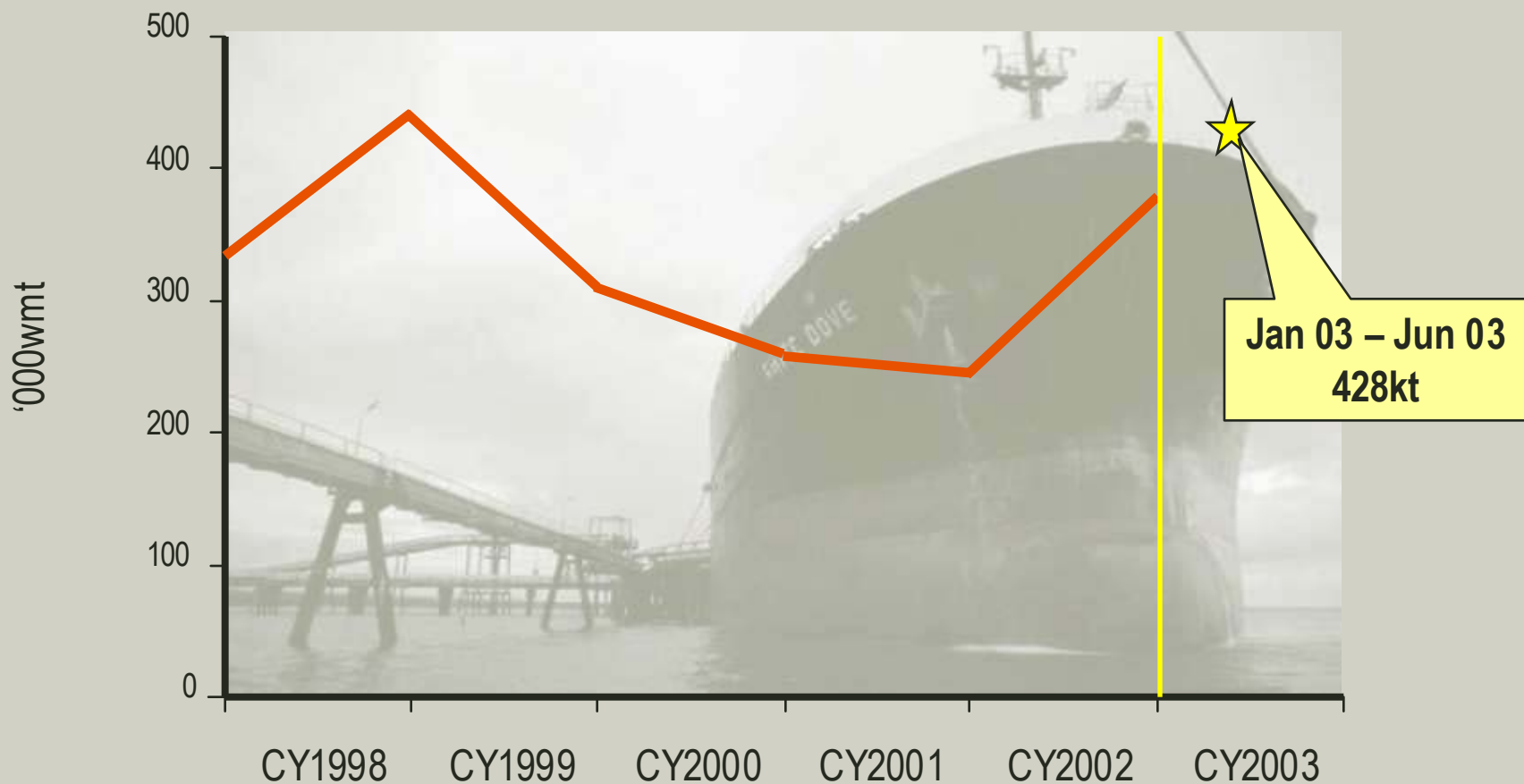
# BHP Billiton Exports to China – Iron Ore



# BHP Billiton Exports to China – Metallurgical Coal



# BHP Billiton Exports to China – Manganese Ore

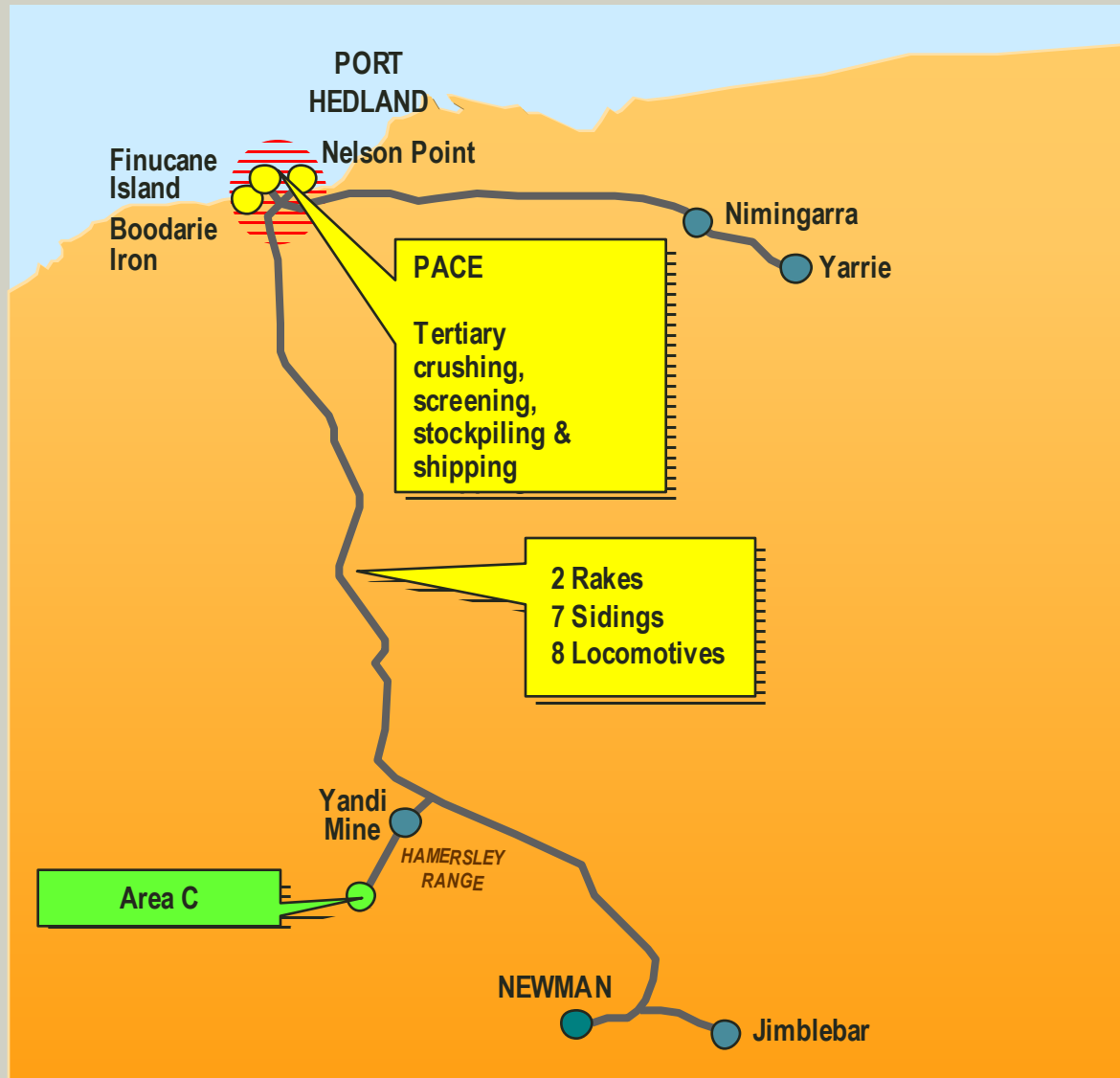




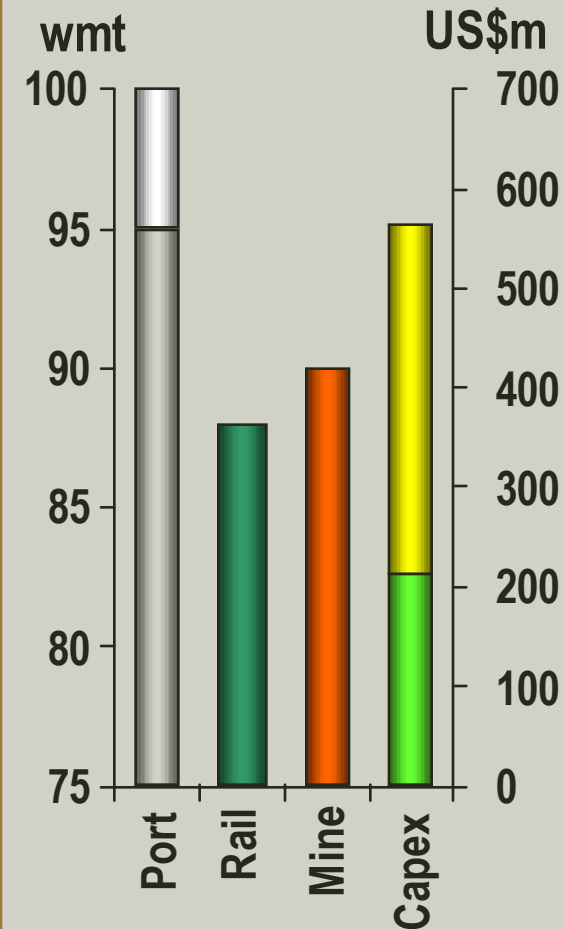
**China**

***Carbon Steel Materials  
Ready to Meet the Challenge***

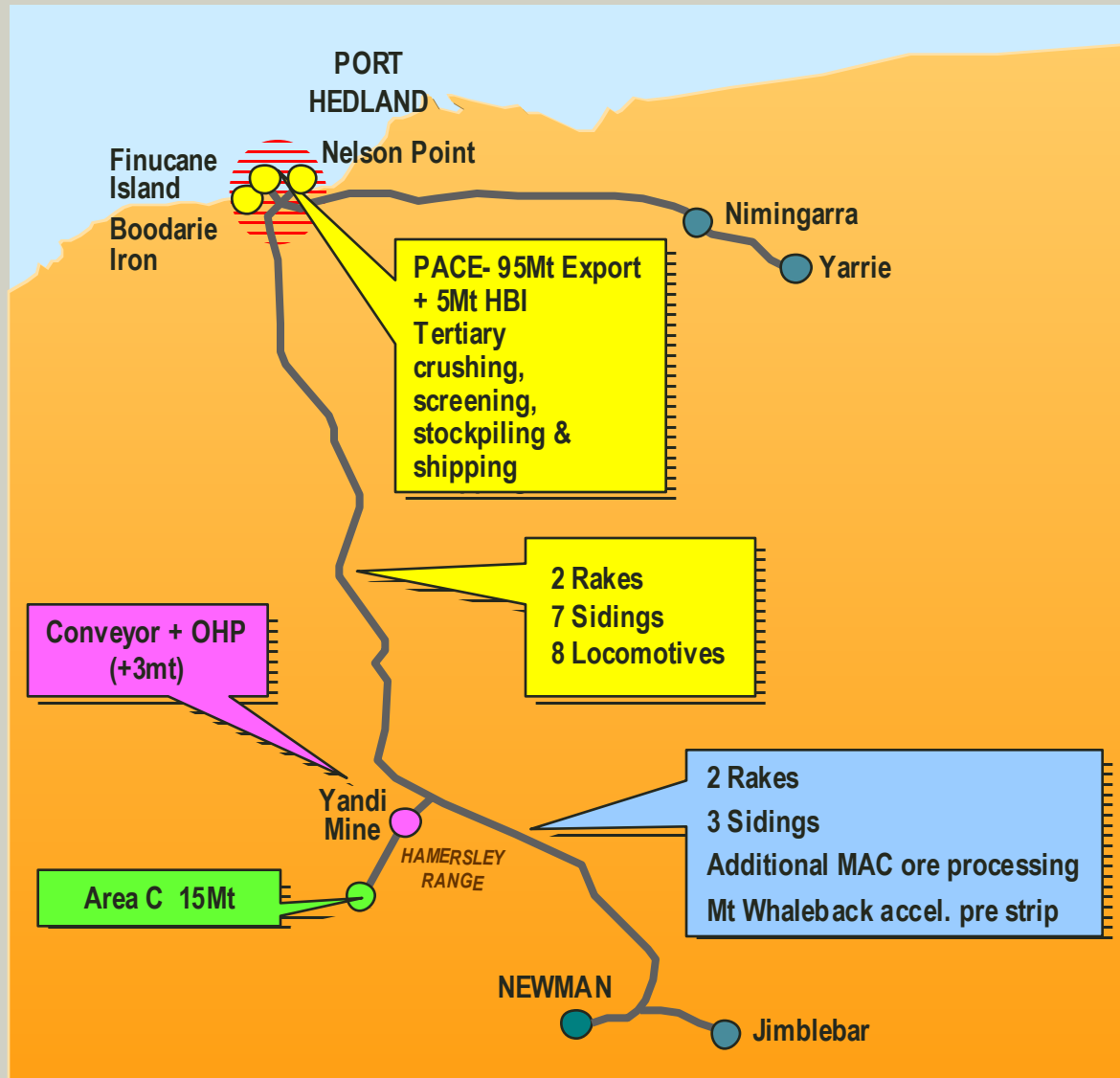
# Western Australian Iron Ore System Capacity: Area C & PACE



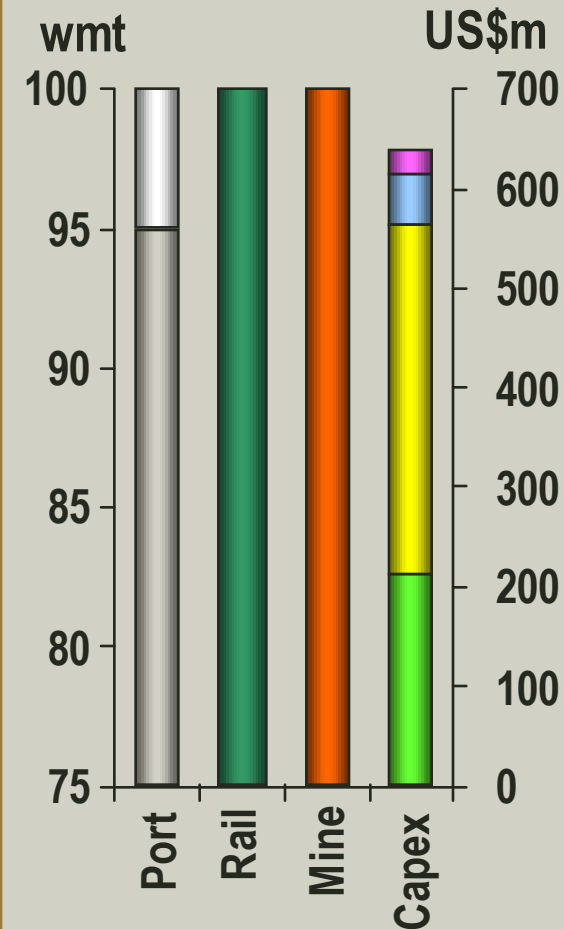
## System Capacity & Capex



# Western Australian Iron Ore System Capacity: Area C & PACE → 100Mt

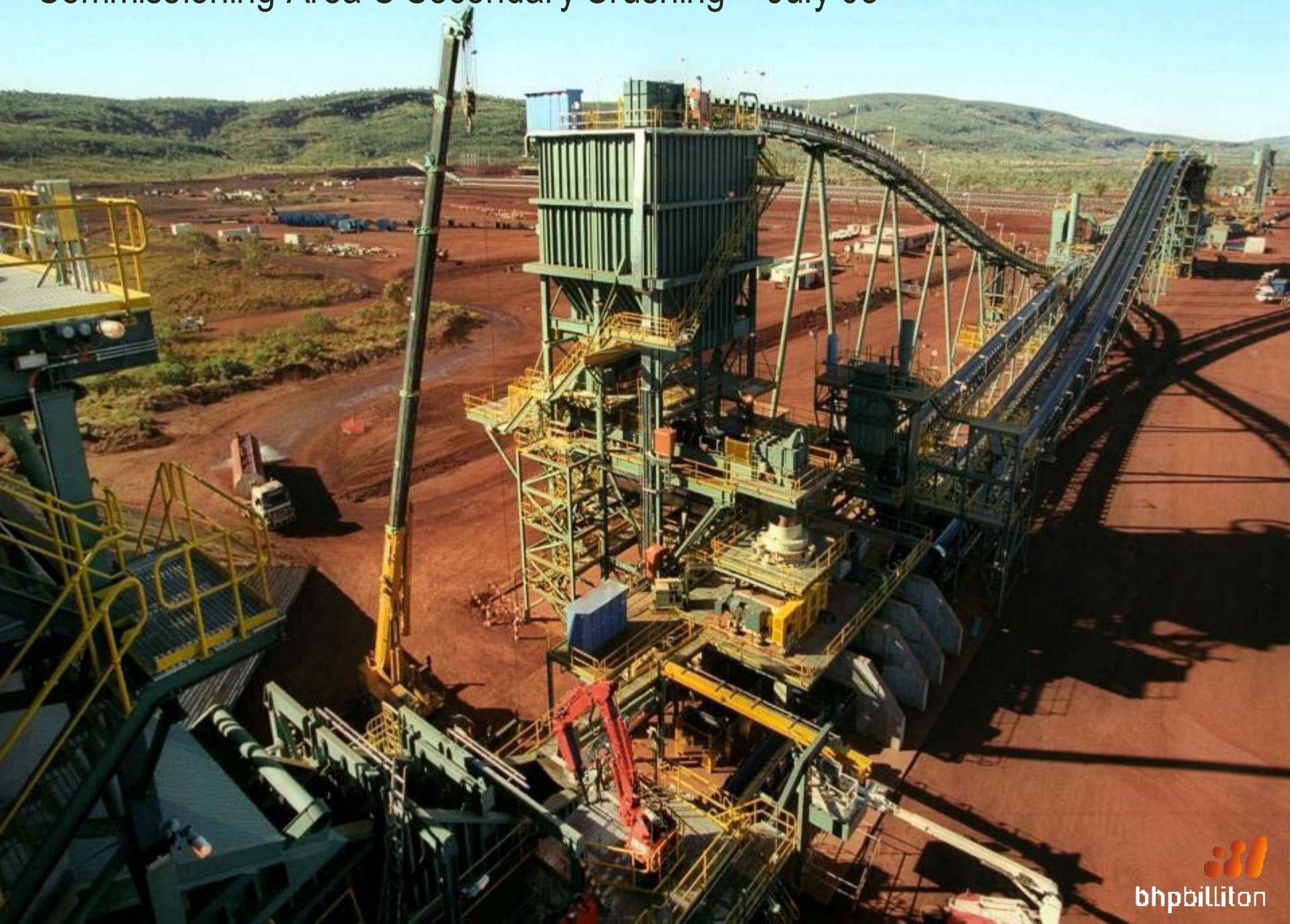


## System Capacity & Capex





# Commissioning Area C Secondary Crushing - July 03



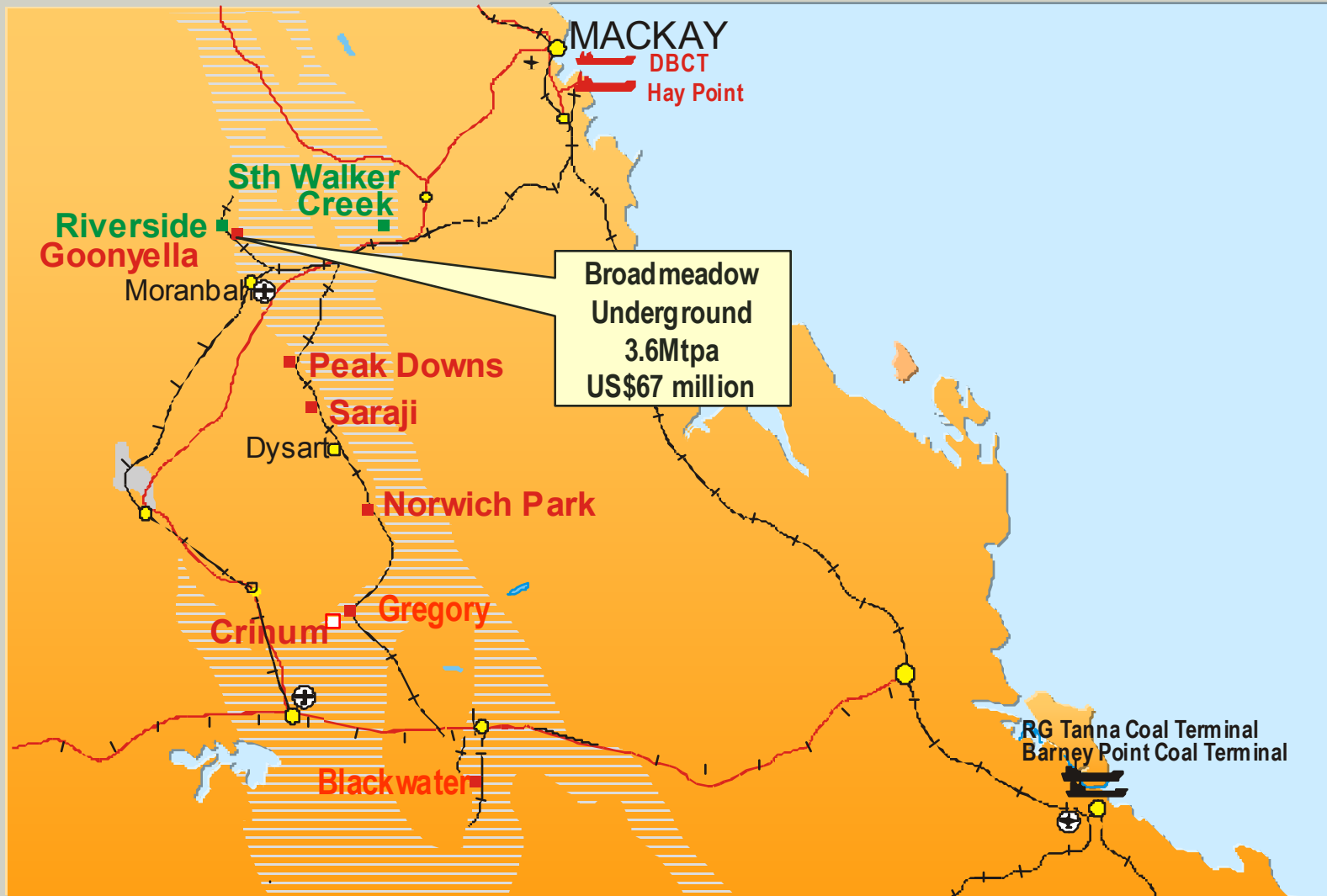


# Finucane Island Berth D Under Construction - July 03

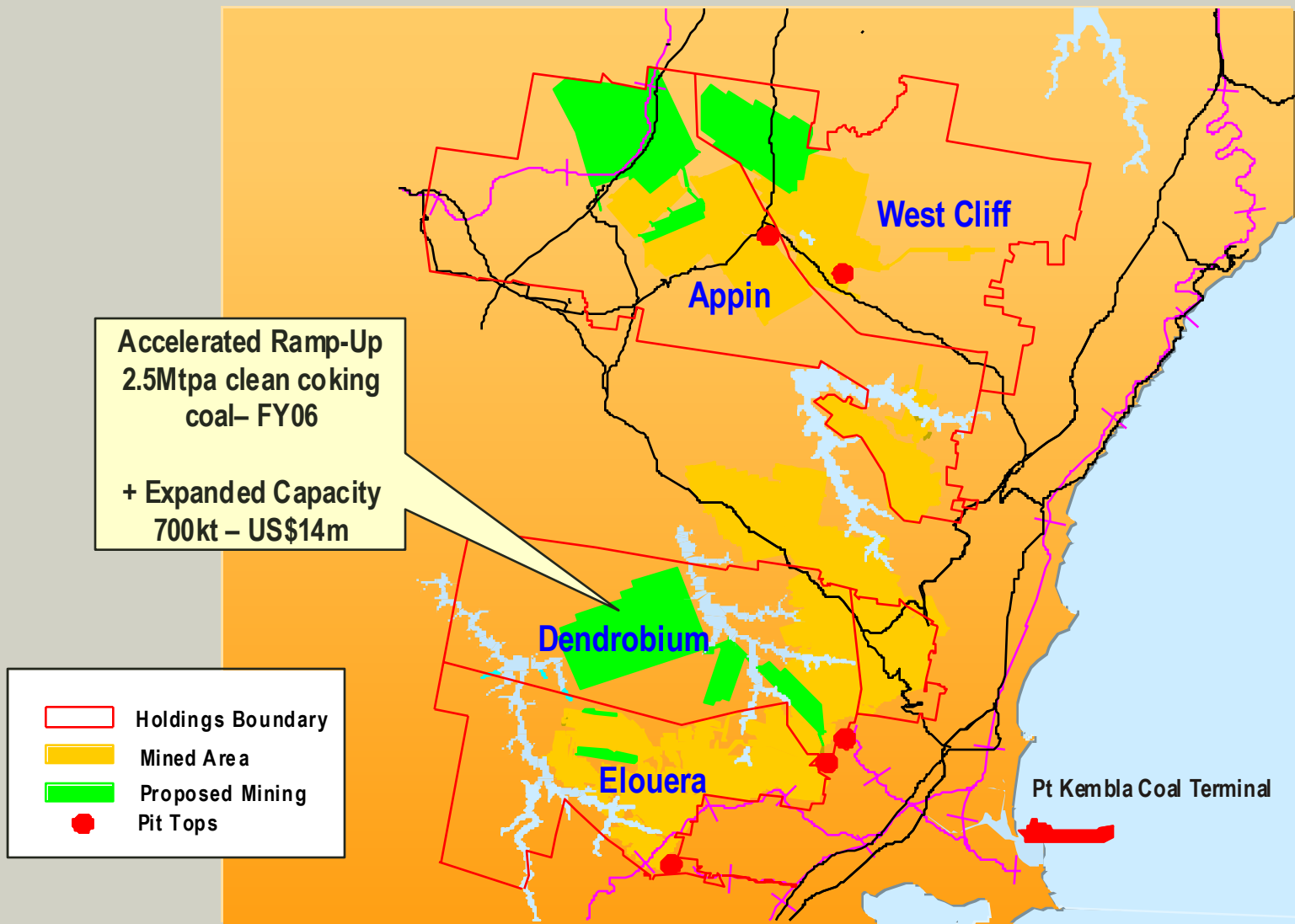




# Broadmeadow Underground



# Dendrobium – Accelerated Ramp-Up & Potential Expansion – FY06



# CSM Marketing – Response to China Opportunities

- Consolidating and building our capabilities in China:
  - Five offices to two
  - Employed specialists in various disciplines
  - Upgraded systems
  - Established “WOFE”
  - Leveraging our position

## China - Challenges Remain

- Maintaining supply to traditional markets
- Preparing for the inevitable downturn
- Appreciating A\$ and SA Rand impact on margins

# Conclusion

- Carbon Steel Materials is in a unique position to take advantage of meteoric Chinese growth:
  - **Low cost, low risk expansion options**
  - Flexible supply
  - Diverse product range
  - World class resource base
  - Proximity to key markets



# Carbon Steel Materials

*The premier supplier of raw materials  
to the global steel making industry*