

BHP Billiton Base Metals

Analyst Presentation
Houston - May 29, 2003



Agenda

- Introduction Brad Mills
- Base Metals Quarterly Results Brad Mills
- Strategy Brad Mills
- Projects – Update Ken Pickering
 - Phase 4
 - Norte
 - Sulphide Leach
 - Spence
- Exploration Ken Pickering
- Capital Approval Process Glenn Kellow
- Close Brad Mills

BHP Billiton Base Metals –3rd Quarter Results

Brad Mills

President Base Metals

Houston, May 2003



Base Metals – Highlights

- Best ever quarterly performance as a CSG
- Modest improvement in Cu prices
- Production cutbacks continued at Tintaya and Escondida
- Official Escondida Phase IV Opening by President of Chile
- Cannington expansion to 2.4 Mtpa approved
- Sale agreements entered into for Alumbrera mine & Agua Rica
- Six Sigma Program launched

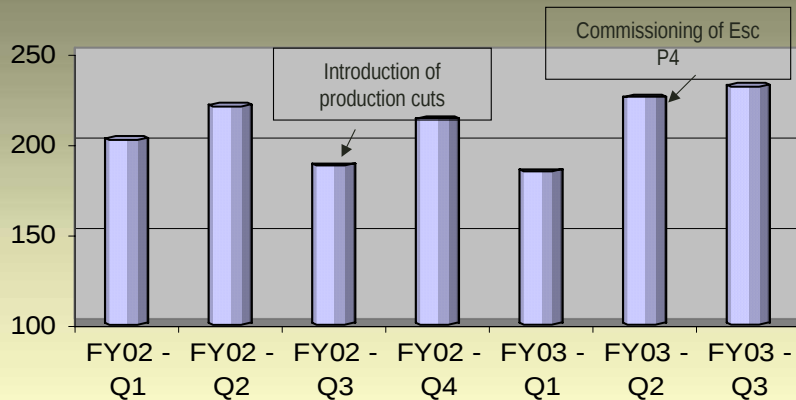
EBIT by Customer Sector Group

9 months ended 31 March

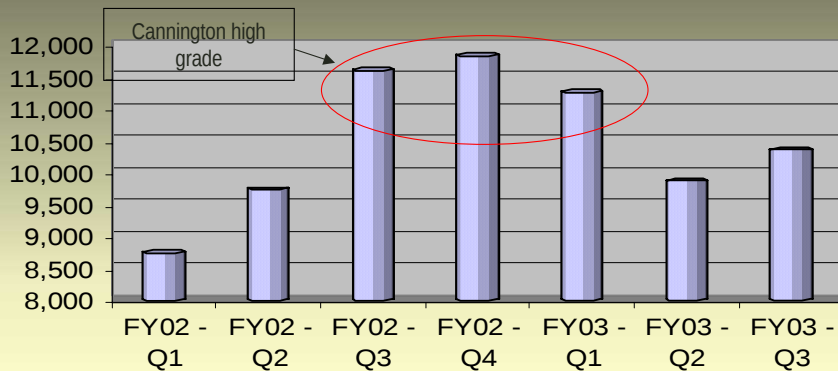
(US\$M)	2003	2002	% Change
Petroleum	988	827	+20
Aluminium	445	324	+37
Base Metals	185	122	+52
Carbon Steel Materials	774	831	-7
Diamonds & Spec Products	243	229	+6
Energy Coal	165	462	-64
Stainless Steel Materials	100	(24)	
Exploration & Technology	(37)	(39)	+5
Group & unallocated items	(240)	(385)	+38
BHP Billiton (continuing)	2,623	2,347	+12
Steel (demerged July 2002)	-	65	
BHP Billiton (total)	2,623	2,412	

Copper Production

Quarterly Copper Production (000s t)

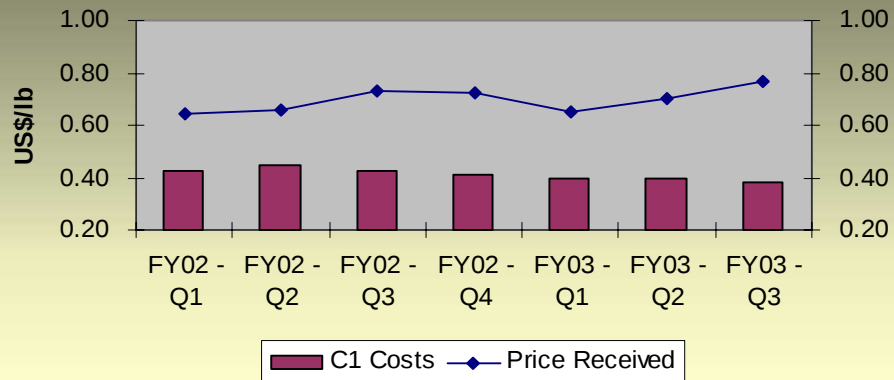


CSG Silver Production (000's Oz)

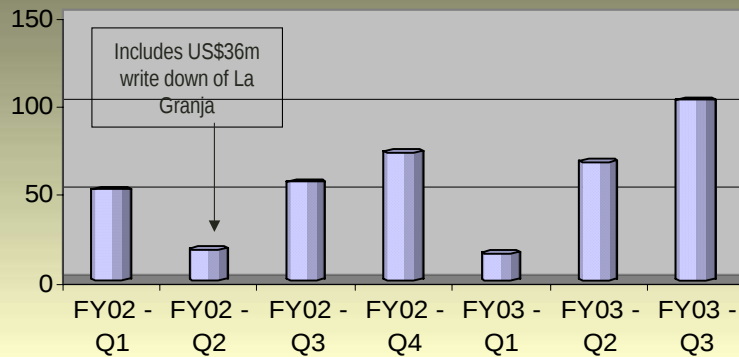


Financial Performance

CSG Margin Performance



CSG EBIT - Pre-exceptionals (US\$M)



Base Metals

Financial Performance – nine months ended 31 March

(US\$M)	2003	2002	% Change
Turnover	1,426	1,308	+9
EBIT			
Escondida	129	103	+25
Cannington	68	73	-7
Cerro Colorado	22	22	-
Alumbrera	29	22	+32
Antamina	25	8	+212
Tintaya	(23)	(33)	+30
Other Ops	(7)	10	-170
Profit from Operations	<u>243</u>	<u>205</u>	+19

Base Metals

Financial Performance – nine months ended 31 March

(US\$M)	2003	2002	% Change
Profit from Operations	243	205	+19
Overheads	(40)	(31)	
Development	(18)	(14)	
Write off of La Granja	-	(38)	
EBIT	<u>185</u>	<u>122</u>	+52
Ave realized Cu Price	\$0.71	\$0.68	+4
Cu Shipments (kt)	658	624	+5
Cu Production (kt)	641	611	+5

Ongoing focus on cost reduction – Six Sigma

- 3 key pillars for Base Metals : The Charter, Zero Harm, **Six Sigma**
- Joint effort with Corporate Operational Excellence group for BHPB adoption.
- Design March-April, and deployment started May03.
- A total management system per industry best practices,
 - Top-down CEO mandate, all executives and senior managers trained
 - Program visibility to CSG Exco. Asset Steering Committees
 - Structured process for project identification and prioritization
 - Rigorous financial evaluation, benefits measure and tracking
 - Formal project audit and results reporting
 - Targeted savings in excess of 2%pa

Strategy

Brad Mills

President Base Metals

Houston, May 2003



Production

- As announced in December 2002, Base Metals will review market demand fundamentals again in June 2003 to determine appropriate production levels going forward
- Current copper demand continues to show few areas of growth. LME stocks are falling but to some extent being offset elsewhere.
- Copper demand growth will continue to be weak until there is a real improvement in world Industrial Production (IP)

Tintaya Nuevo

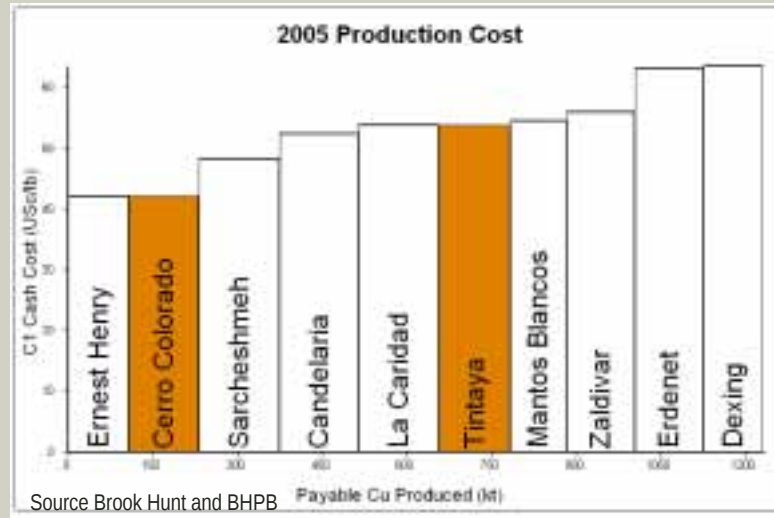
- Tintaya will reemerge as a significantly different operation to the one we closed in January 2002.
 - The Tintaya Oxide project is fully commissioned and budgeted to produce 36,000 tonnes in FY04.
 - Already 100% of the Tintaya cathode is classified as Grade A and currently in the process of becoming LME registered.
 - When restarted Tintaya's workforce will number 800 compared to 1200 prior to closure.
 - During the period of closure the mobile equipment fleet at Tintaya has been replaced and upgraded.
 - The existing truck fleet had an average age of >70,000hrs.
 - The modern fleet on care and maintenance at the closed Robinson mine in Nevada has been moved to the Tintaya site.
 - On schedule, under US\$26M (\$34M include transfer price) budget and 292,600 hours worked without a lost time accident.
- Four preconditions for re-opening

Nuevo Tintaya



Tintaya Nuevo

- Once the sulphide operation is at full capacity, Tintaya will be a competitive, mid cost producer.
- Production +36 ktpa Cu cathode and 90 ktpa Cu in concentrate.
- Operating costs less than 55c/lb.



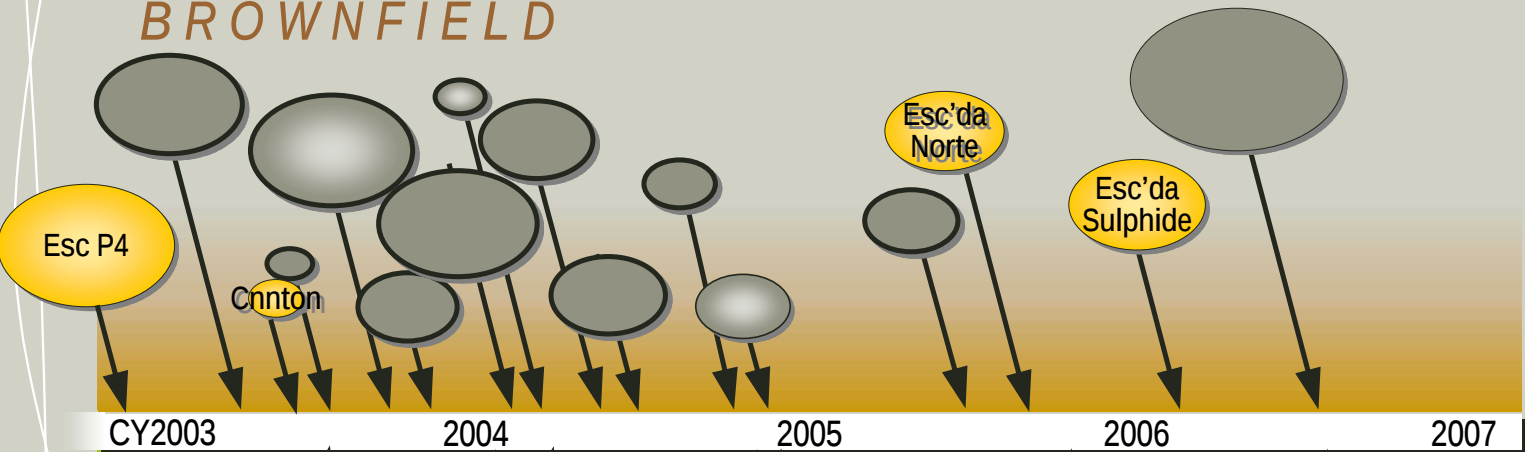
Projects

Ken Pickering
CDO Base Metals
Houston, May 2003



Deep inventory of projects - Base Metals is Significant

BROWNFIELD



GREENFIELD

As at April 2003

Size of bubble indicates proposed capital expenditure; bold outer border signifies sanctioned project



Escondida Complex



Major Base Metals Projects

Escondida Phase 4

- Commissioned Sept. 2002
- Ramp up to design capacity April 2003
- Project completed on schedule – final cost US\$ 944m vs authorized budget of US\$ 1.045m.
- 32 million manhours – LTIF 1.08 no disabling injuries.

Escondida Norte

- Extension to the existing Escondida operations to maintain current production capacity.
- Reserves 525m tonnes @1.42% Copper
78 m tonnes Oxide @0.78% Cu
- 85,000 – 100,000 tpd ore for delivery to existing Escondida concentrators – Los Colorados and Laguna Seca

Cont.

Escondida Sulphide Leach

- 2.0 plus billion tonnes low grade sulphide material (0.50%) for R.O.M. Leach
- 90,000 tpy cathodes and to replace feedstock for existing Escondida Oxide operations. (150,000 tpy capacity)
 - Feasibility stage with Fluor.
 - EIA in progress with Chilean authorities.

Spence

- Oxide/Sulphide leach – SX/EW operation
- 300 million tonnes reserves @1.20% Copper
- 200,000 tpy cathode production
- EPCM awarded to A.K.Kvaerner
- Current status – process trade-off studies & project optimization.