

BMA, Australia



A tier 1 diversified growth portfolio

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10 May 2011



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Exploration Results, Mineral Resources and Ore Reserves

This presentation includes information on Exploration Results, Mineral Resources and Ore Reserves, which is based on information prepared by the relevant Competent Persons as named in the 2010 Annual Report, and reported under the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves' (the JORC Code). The Competent Persons verify that this presentation is based on and fairly reflects the information in the supporting documentation and agree with the form and context of the Exploration Results, Mineral Resources and Ore Reserves presented. The Competent Persons are full time employees of BHP Billiton and have the required qualifications and experience to estimate and report Exploration Results, Mineral Resources and Ore Reserves under the JORC Code. The relevant details of the Competent Persons for Mineral Resources and Ore Reserves can be found at: www.bhpbilliton.com. The Competent Persons for Exploration Results are J. Knight (Western Australia Iron Ore – MAIG), A. Paul (Queensland Coal – MAusIMM), D. Dunn (Queensland Coal – MAusIMM), S. O'Connell (Olympic Dam – MAusIMM), J. Des Rivieres (Escondida - FAusIMM) and John McElroy (Potash – MAusIMM).

No Offer of Securities

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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.

Agenda



- **Supportive long term market fundamentals**
- **Well positioned for diversified, tier 1 growth**
- **Concluding remarks**

Supportive long term market fundamentals, but volatility to continue in the near term

- Longer term, global GDP growth to remain robust
- Strong emerging market growth continues
- Developed market data has improved
- However, economic risks remain
 - Emerging market inflation
 - Sovereign debt issues

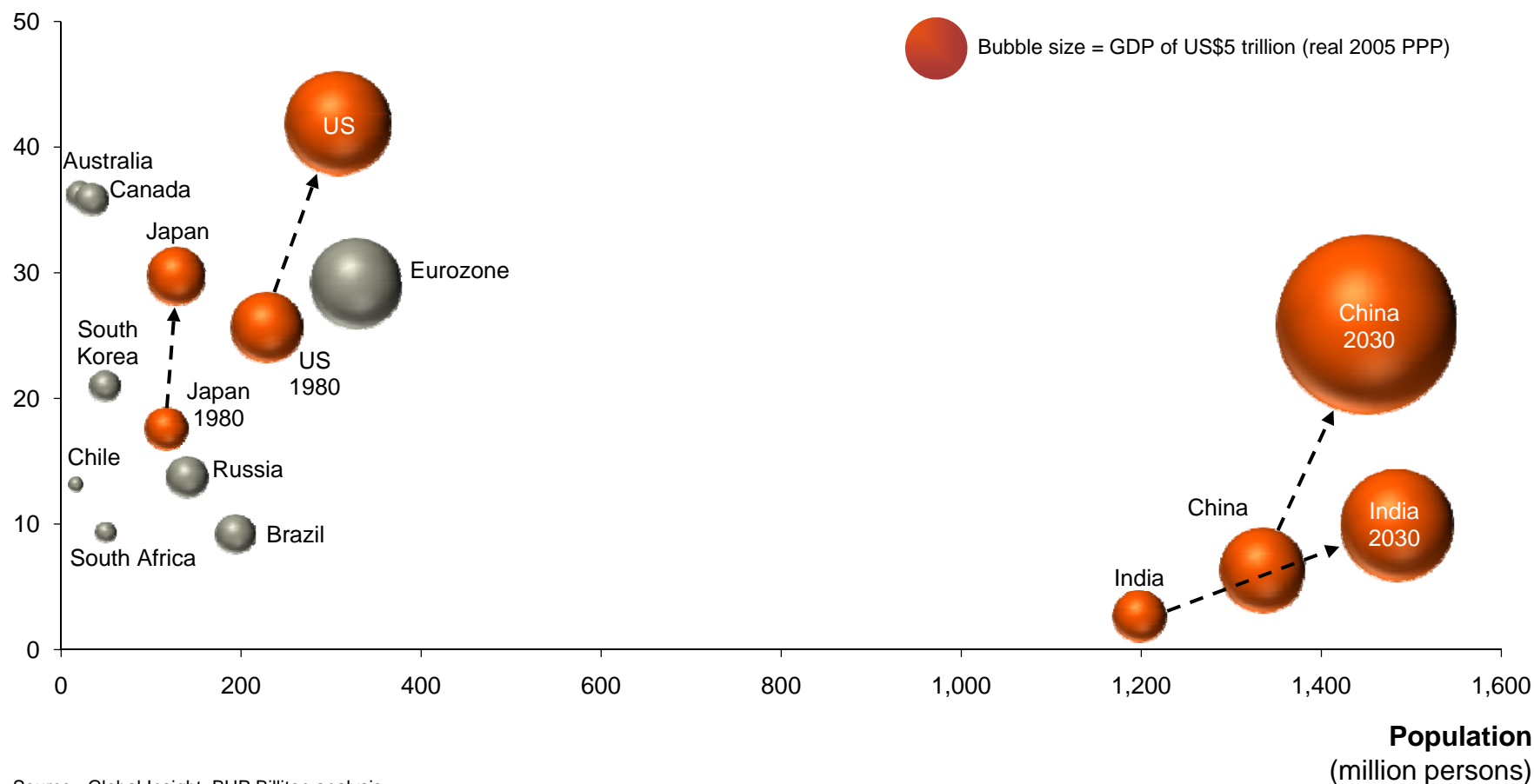
Global GDP growth rate
(% per annum)



Source: 1900 to 1980 – J. Bradford De Long (“Estimates of World GDP”, 1998); 1980 to 2010 – IMF World Economic Outlook Database; 2010 to 2025 Forecast – Global Insight.

Chinese GDP is set to grow substantially to 2030

World GDP per capita¹
(US\$'000, real 2005 PPP)



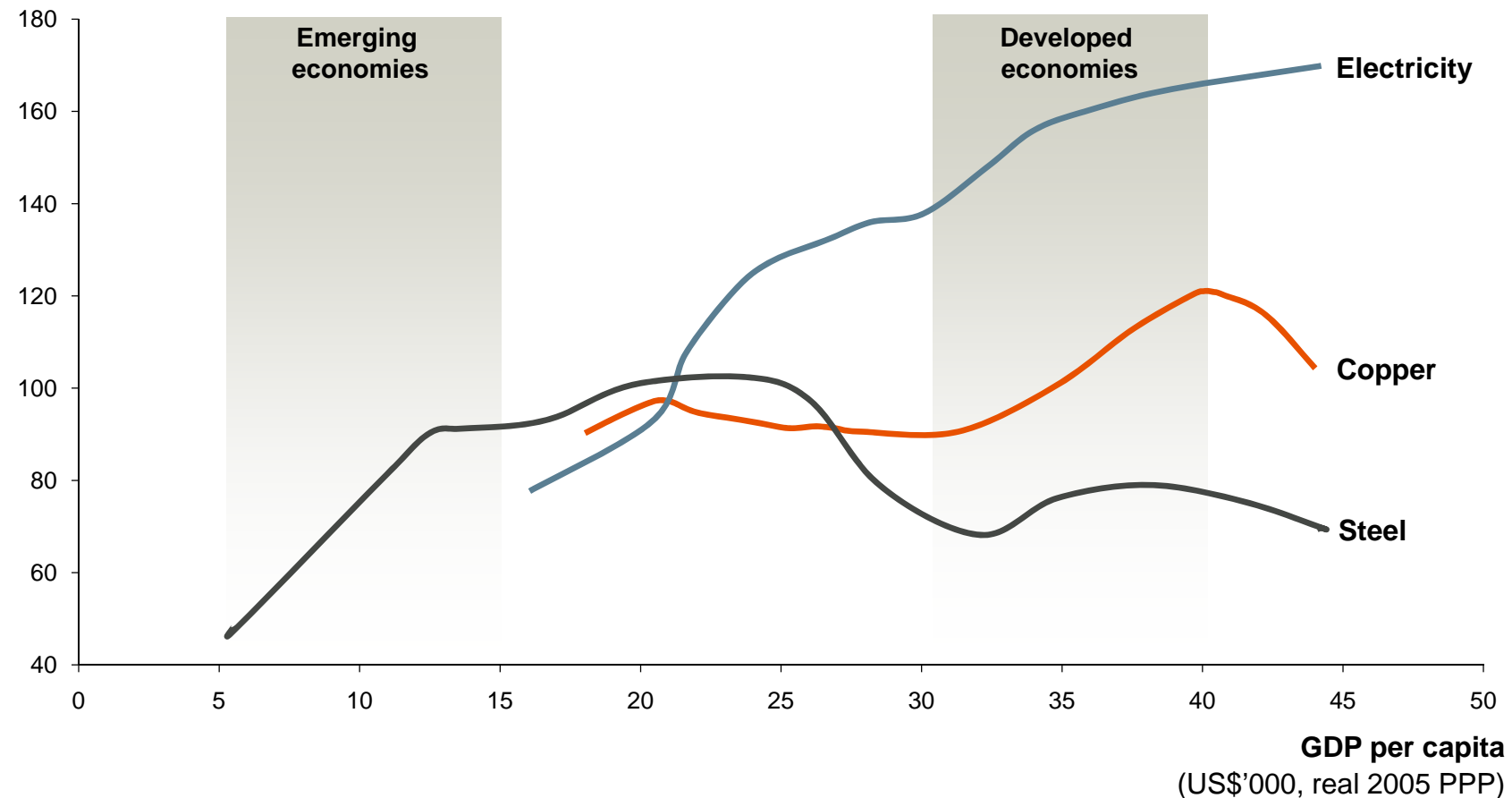
Source: Global Insight; BHP Billiton analysis.

1. All figures for 2009 unless mentioned otherwise.

Commodity intensity trends evolve with economic development

USA

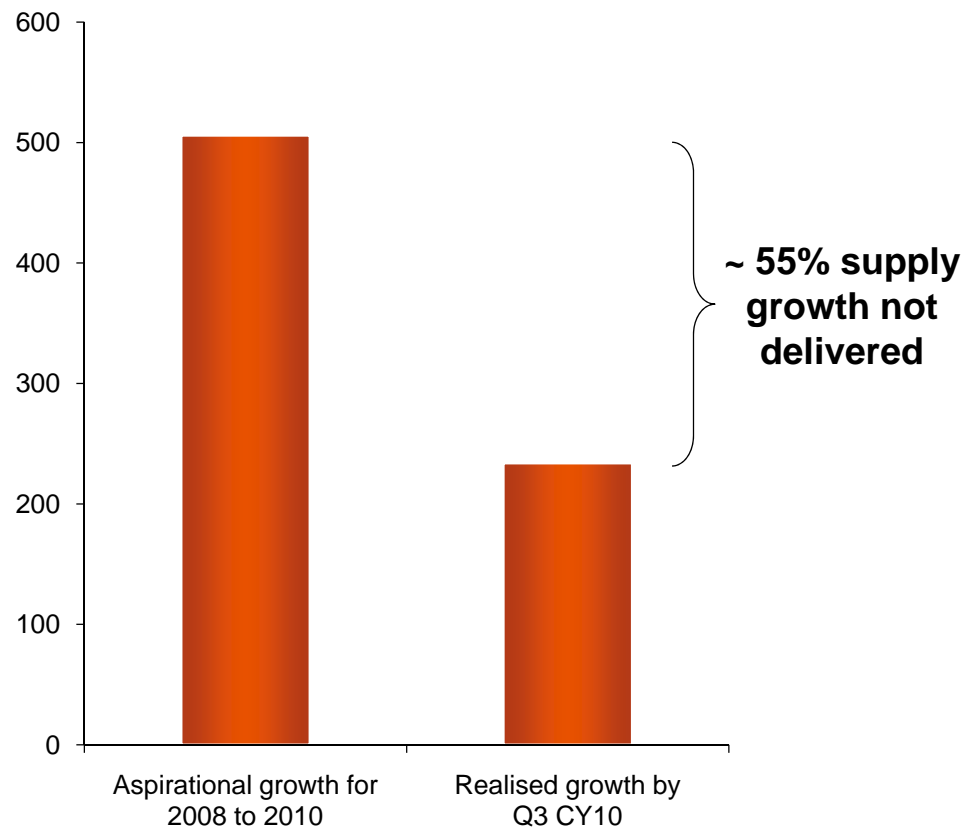
(Intensity index)



Source: World Bank; Brook Hunt; CRU; IISI; Global Insight; CISA; worldsteel; JBS; IEA; BHP Billiton analysis.

Commodity prices supported by under delivery of the supply side

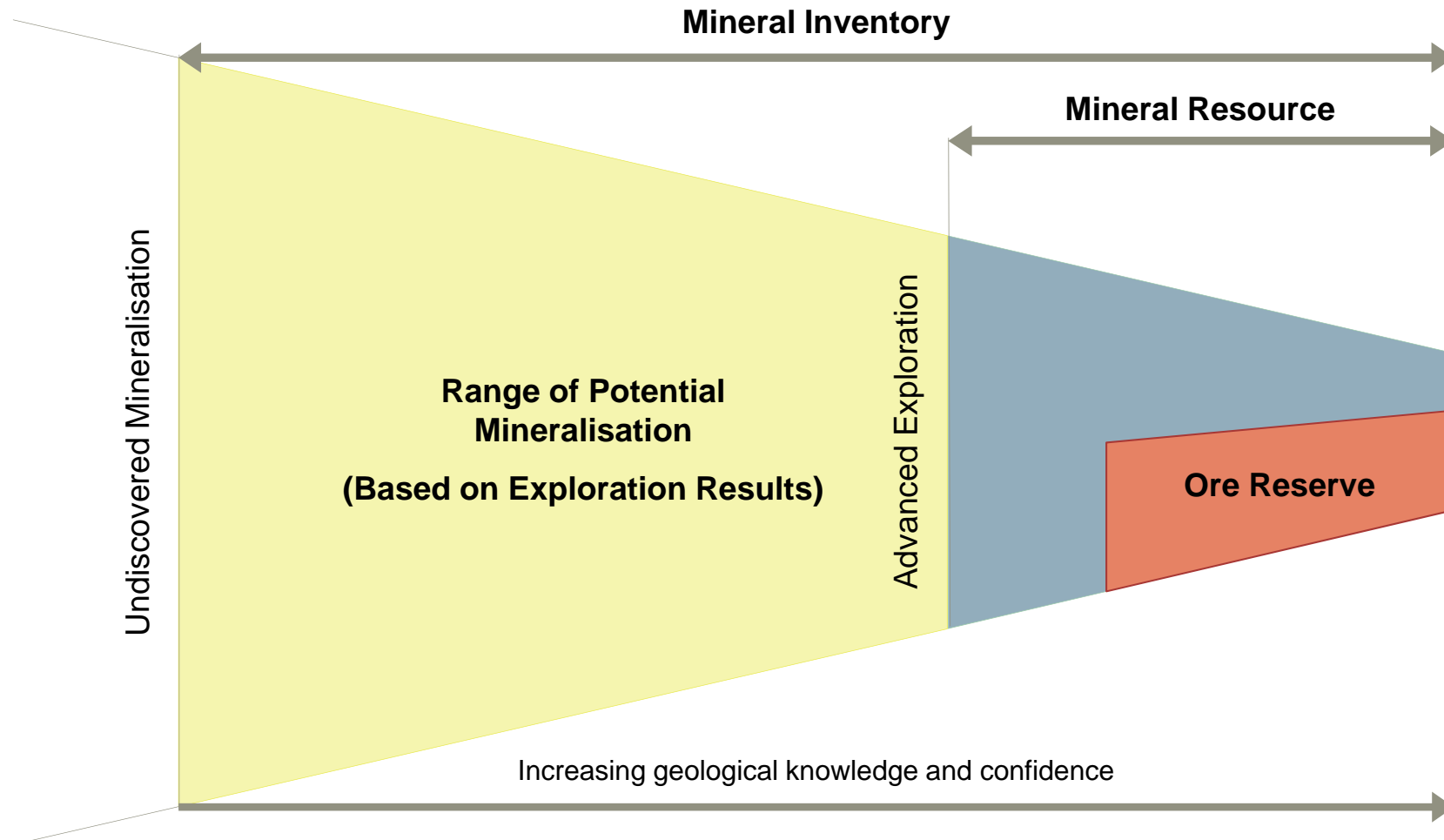
Seaborne traded iron ore supply growth has failed to meet expectations (mtpa)



Note: Aspirational iron ore supply based on BHP Billiton analysis as of early 2008.
Source: BHP Billiton analysis.

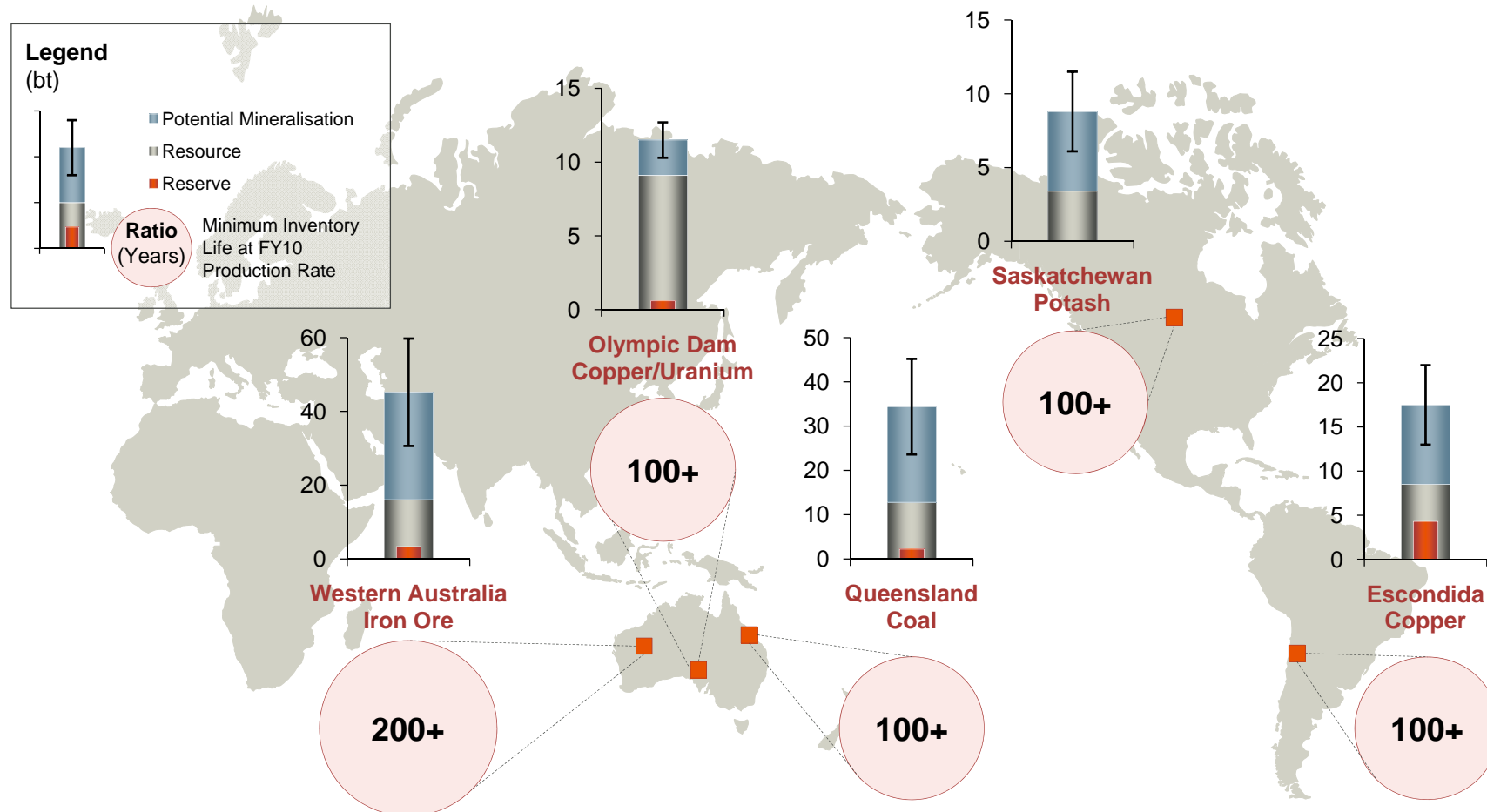
- Against a strong demand backdrop, supply growth has fallen short of expectations
- A decline in industry wide capital expenditure through the global financial crisis has dampened the supply response
- Tight labour markets and general inflationary pressure ensures the environment for project development is as challenging as ever

What makes a tier 1 resource



The range of Potential Mineralisation is estimated from geological information including boreholes, outcrops and geophysical information. The potential quantity is conceptual in nature, there has been insufficient exploration to define a Mineral Resource and it is uncertain if further exploration will result in the determination of a Mineral Resource.

Large mineral inventory creates significant options for growth

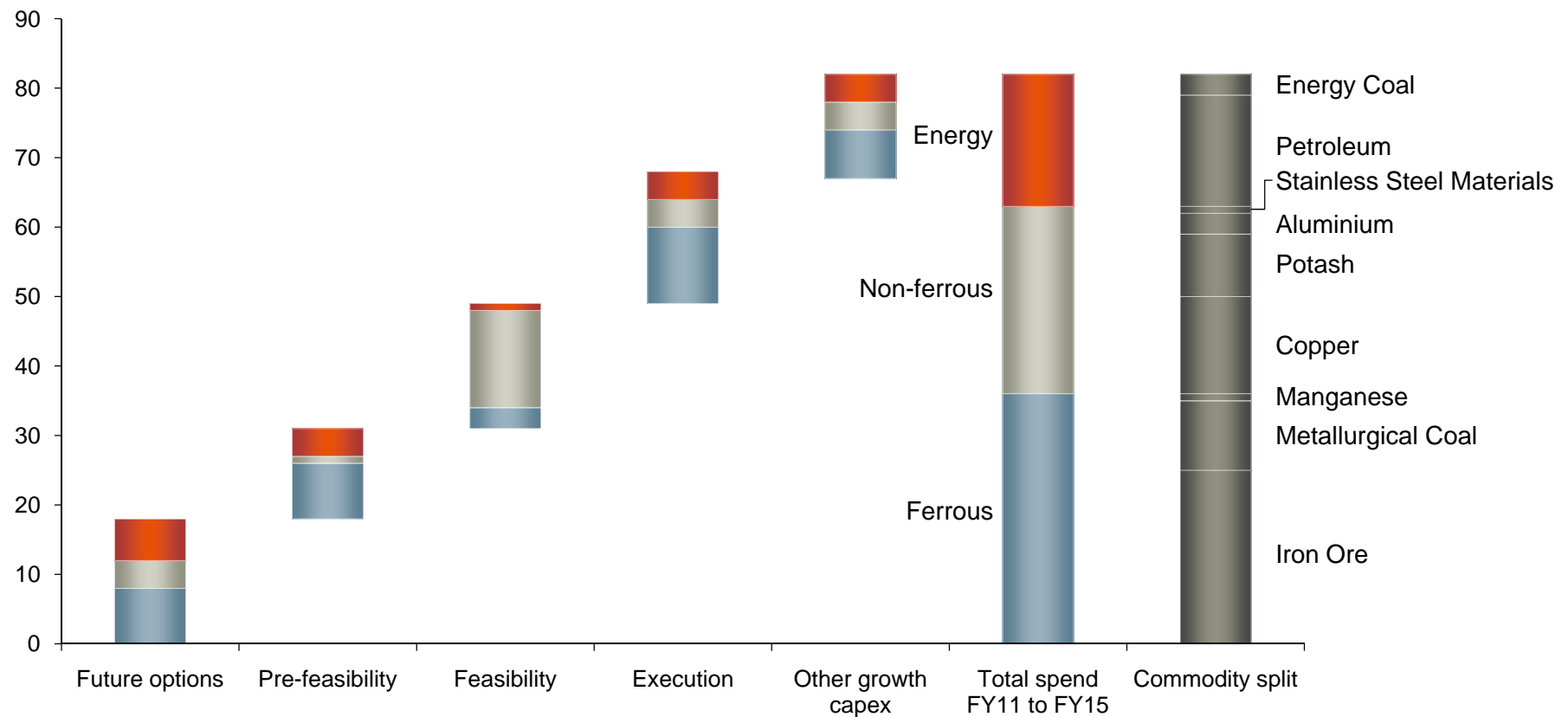


Potential Mineralisation, Mineral Resources and Ore Reserves are stated on a 100% basis. The detailed breakdown of Mineral Resources and Ore Reserves are shown in the FY10 Annual Report. The range of Potential Mineralisation (Exploration Targets) is estimated from geological information including boreholes, outcrops and geophysical information, and is shown as a range (black bars). The potential quantity is conceptual in nature, there has been insufficient exploration to define a Mineral Resource and it is uncertain if further exploration will result in the determination of a Mineral Resource. It should not be expected that the quality of the Potential Mineralisation is equivalent to that of the Mineral Resource. The ratio in years is the inventory divided by the FY10 production rate (for Potash this is the expected FY20 production rate) and does not imply that any mine planning has been completed. In Mineral Provinces (e.g. Pilbara, Bowen) the inventory life of individual mines may be more or less than the number stated above.

Significant investment underpins our tier 1 growth strategy

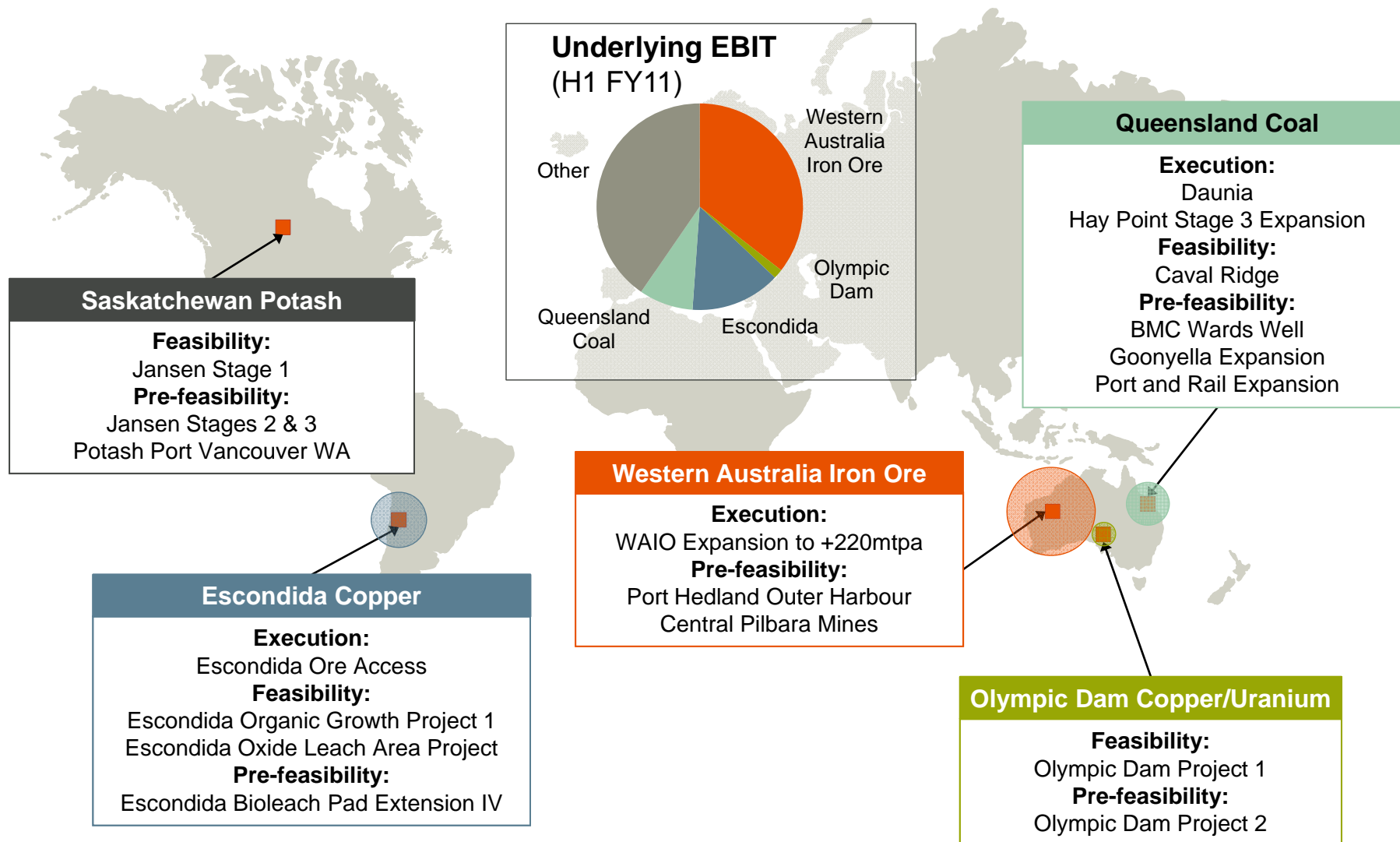


Strong pipeline of investment (US\$ billion)



Note: Excluding sustaining capital and exploration expenditure and future investment associated with the acquisition of the Fayetteville Shale.

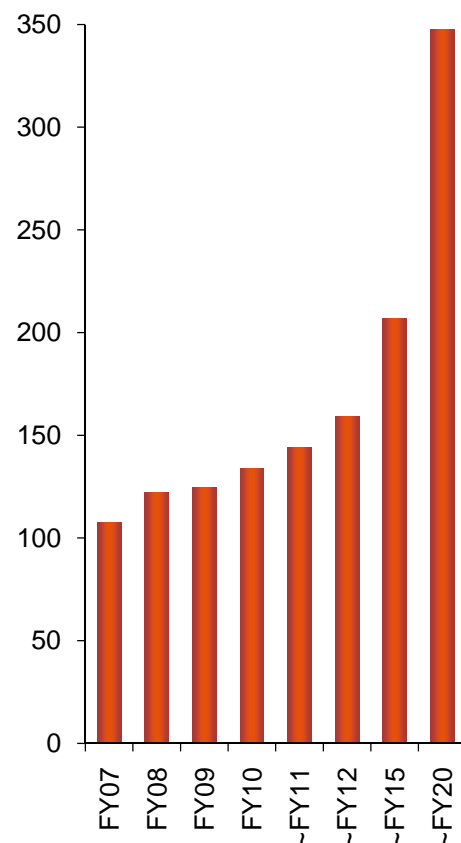
Development activities clustered around our key hubs



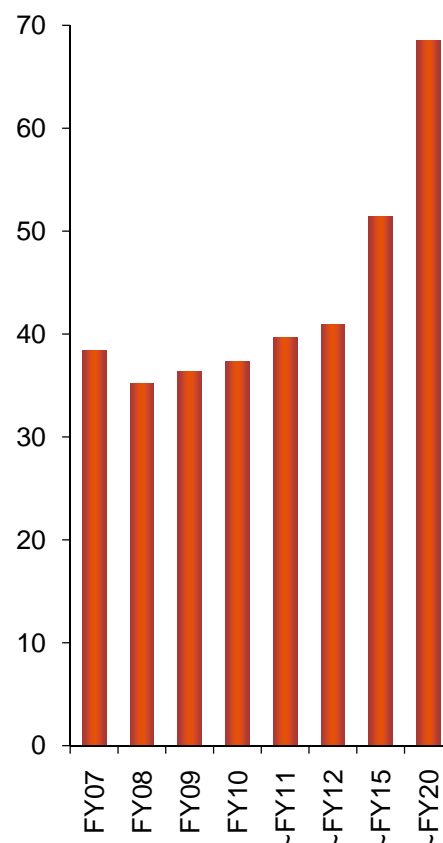
Delivering volume growth across key commodities



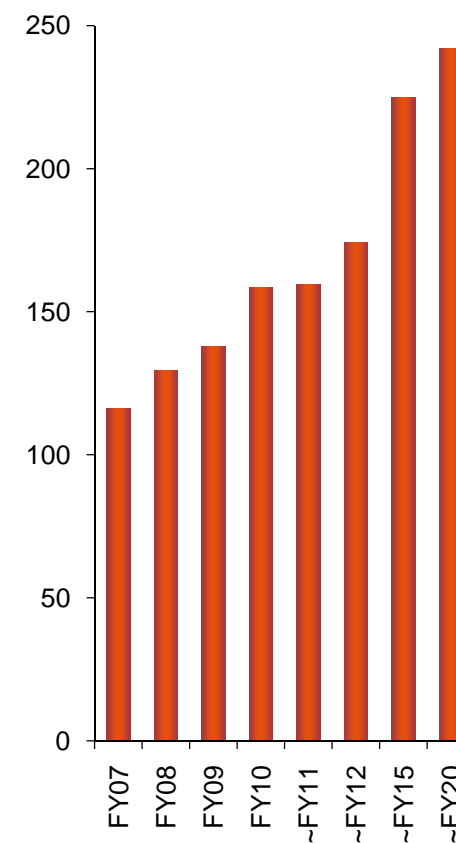
WA Iron Ore production profile
(mtpa, 100%)



Metallurgical Coal production profile
(mtpa, BHP Billiton share¹)



Petroleum production profile
(mmboe, BHP Billiton share)



Note: Production profile for future periods remains subject to approval of projects into execution.

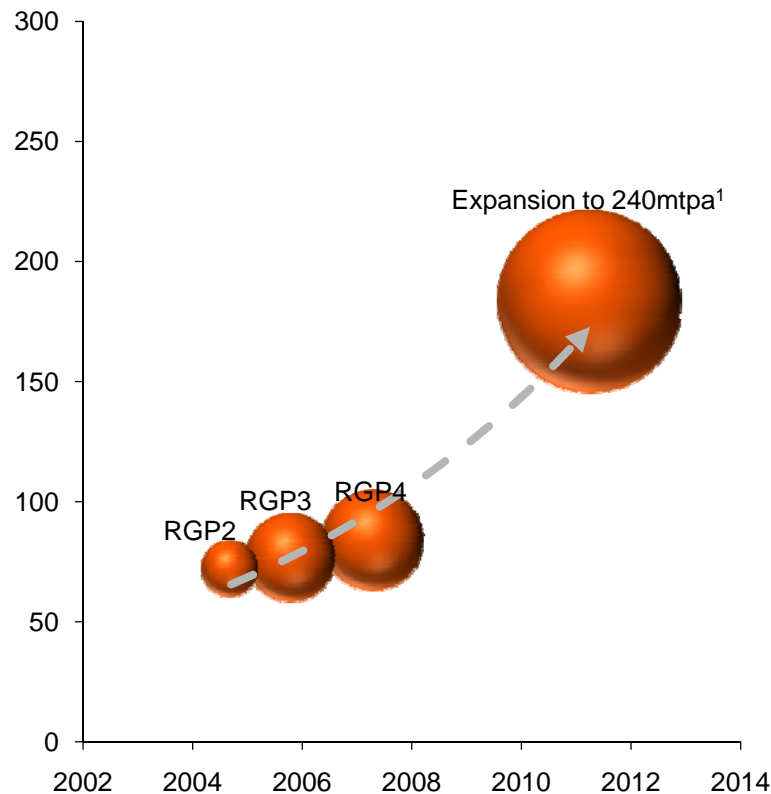
Source: BHP Billiton analysis.

1. Includes 100% of production from BHP Mitsui Coal. BHP Billiton interest in saleable production is 80%. Excludes weather related impact in FY11.

BHP Billiton is not immune from industry wide capital cost pressures



Western Australia Iron Ore project conveyor belt
Capital intensity (US\$/t)

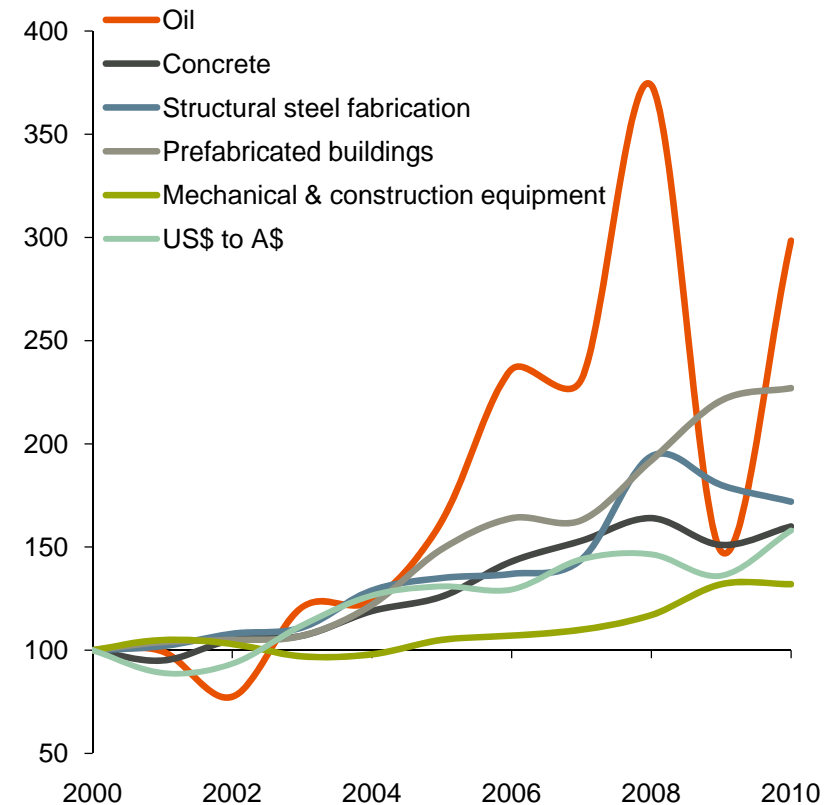


Source: BHP Billiton announcements.

Note: Size of bubble represents annual production capacity (100% basis).

1. Includes debottlenecking for incremental capital investment (of ~US\$1 billion) in addition to already approved capital expenditure.

Component escalation rate
Index (2000 = 100)



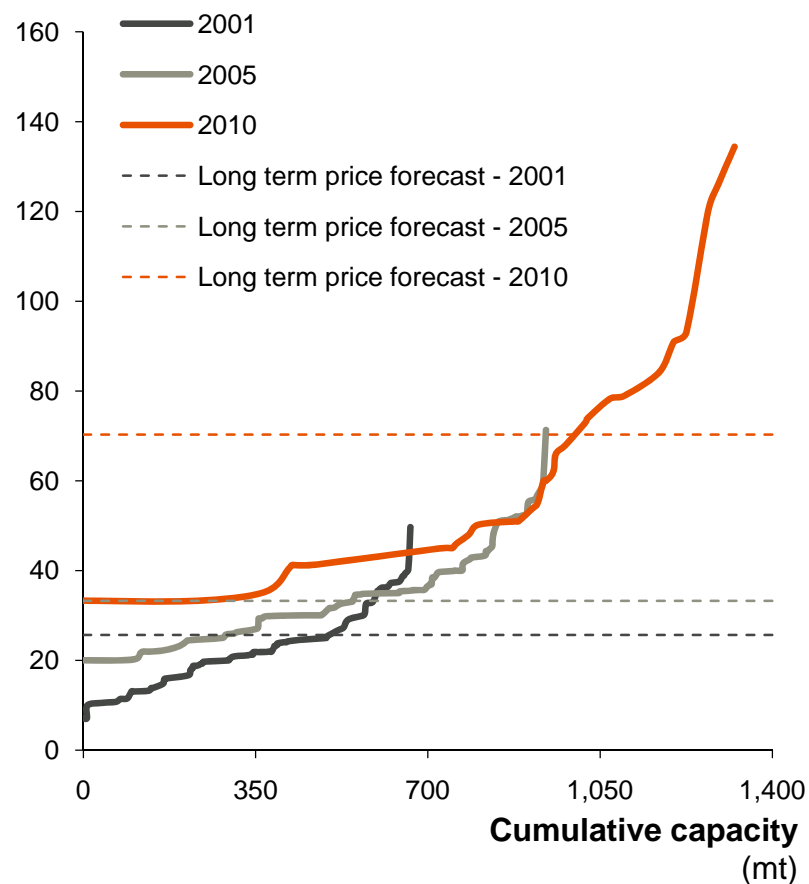
Source: Australian Bureau of Statistics; Energy Information Administration; Datastream; BHP Billiton analysis.

Input costs have also increased and steepened cost curves



Iron ore cost curve

(US\$/t, 62-63% Fe, CIF China equivalent basis)

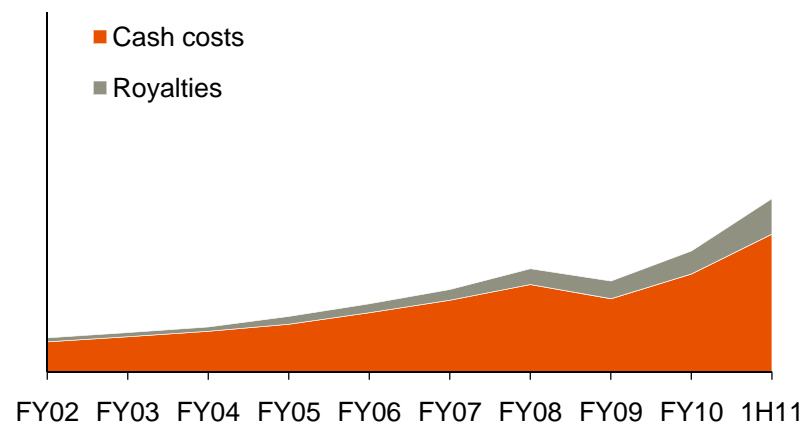


Source: Macquarie Research.

Note: Includes seaborne and China domestic.

- The cost curve has steepened dramatically over time
- Long term price estimates have grown at a similar rate, reflecting the shift in shape of the cost curve and development costs
- Our low cost position has been strengthened, rather than weakened over the decade

Western Australia Iron Ore cash costs (US\$/t)



Source: BHP Billiton analysis.

Note: Cash costs exclude freight.

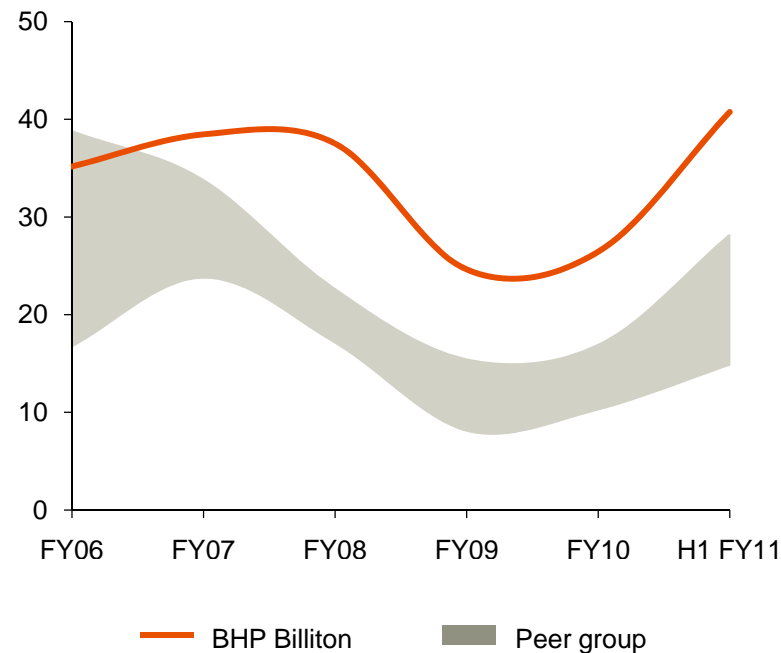
The value of a diversified tier 1 portfolio

High return tier 1 assets



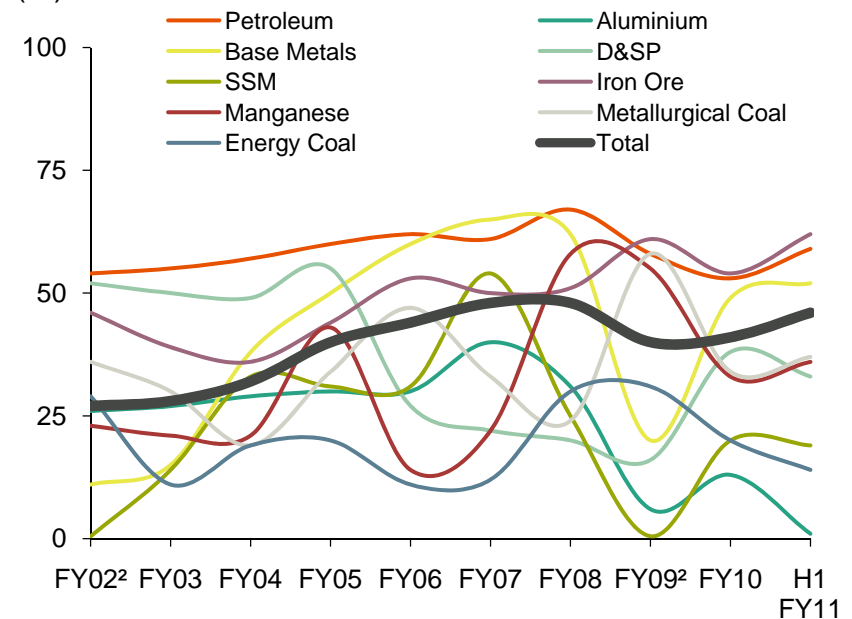
The stability of a diversified portfolio

Return on capital
(%)



Note: Peer group includes Rio Tinto, Vale, Anglo American and Xstrata.
Source: Annual Reports, interim press releases and BHP Billiton analysis.

EBIT margin¹
(%)



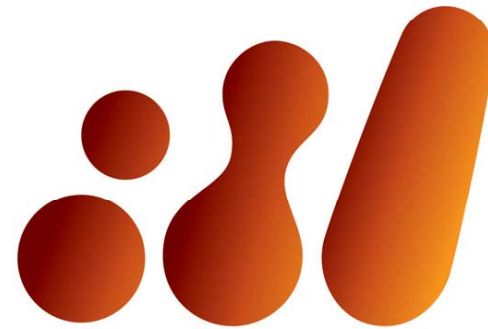
1. Calculated on the basis of UKGAAP for periods prior to FY05, except for the exclusion of PRRT from Petroleum's and BHP Billiton Group's results for all periods. All periods exclude third party trading activities. The Exploration and Technology business has been included in BHP Billiton Group's results from FY02 to FY05 and excluded from Diamonds and Specialty Products (D&SP).
2. Negative margins are not shown as the y-axis is set at zero. Stainless Steel Materials (SSM) had a negative EBIT margin in FY02 and FY09.

A tier 1 diversified growth portfolio

- Long term demand growth remains robust
- Supply likely to lag in the near term, but supply will catch up with demand
- Capital intensity is increasing as new infrastructure is required
- Our very large scale resource positions provide for decades of low risk growth and attractive investment returns across a diversified portfolio



Escondida, Chile



bhpbilliton

resourcing the future