PETROLEUM

ACHIEVING OPERATIONAL EXCELLENCE

2016

bhpbilliton

LEADING PERFORMANCE EVERYWHERE WE OPERATE. OPERATIONAL EXCELLENCE ACROSS OUR ASSET PORTFOLIO.

The Petroleum business within BHP Billiton is the oil and gas unit of one of the world's largest resources companies. We run a carefully managed portfolio of upstream assets around the world, including our heartland fields in the deepwater Gulf of Mexico, onshore United States and Australia. The quality of these assets, along with a long-standing focus on safety and operational excellence, is essential to our strategy.

Advanced technology and operational efficiencies are improving productivity and reducing costs. Benchmarked against our peers, these efforts are solidifying our superior position in safety, uptime, and drilling and completions efficiency. Further, we are creating the foundation for future success in onshore assets now under development (such as the Permian Basin) and in the deepwater areas of Trinidad and Tobago and the Gulf of Mexico, currently the focus of a targeted exploration campaign.

A FOCUSED GLOBAL PORTFOLIO

The acreage we hold contains the energy equivalent of more than **9 billion** barrels of oil.*

Bubble size represents resource of 500 MMboe as of 30 June 2016

Table 1 provides the Proved and Probable Reserves and 2C Contingent Resources and fuel amounts for the areas noted. See resources disclosure and Table 1 on back cover.
Source: 1. Represents potential exploration region.

PRODUCTION VS. OUR PEERS

In 2015, BHP Billiton produced the energy equivalent of more than 680,000 barrels of oil per day.

RANK AND TOP-TEN

	Australia	Shale Gas*	Shale Oil*	Gulf of Mexico
#1	Woodside Petroleum	ExxonMobil	EOG Resources	Shell
#2	**BHP Billiton**	Southwestern	Anadarko	BP
#3	Shell	Chesapeake	ConocoPhillips	Chevron
#4	ExxonMobil	Anadarko	Chesapeake	**BHP Billiton**
#5	Chevron	Devon Energy	Marathon Oil	Anadarko
#6	BP	Range Resources Corp	**BHP Billiton**	Hess
#7	Santos	ConocoPhillips	Devon Energy	ExxonMobil
#8	ConocoPhillips	BP	Continental Resources	Freeport-MMR
#9	Apache	**BHP Billiton**	Apache	Eni
#10	Sinopec Group	Chevron	Hess	Petrobras

Sources: Wood Mackenzie, BHP Billiton analysis.

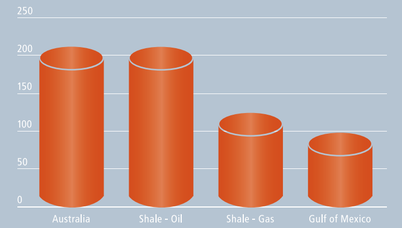
A TOP-TEN PRODUCER

We continue to grow shareholder value by focusing on large, long-life, low-cost and expandable upstream assets. We are a top-ten producer in our heartland regions, with plans to grow in each of these core areas.

* Includes all US Shale Gas, Tight Gas or Tight Oil

BHP BILLITON PRODUCTION

(Mboe/d, net, CY 2015)



Sources: Wood Mackenzie, BHP Billiton analysis.

SUSTAINABILITY

A CONSTANT DRIVE TO REDUCE GREENHOUSE GAS EMISSIONS

At BHP Billiton, we acknowledge that the nature of our operations can have environmental impacts. We accept the Intergovernmental Panel on Climate Change (IPCC) assessment of climate change science, which has found that the warming of the climate is unequivocal, the human influence is clear and physical impacts are unavoidable. As a major producer and consumer of fossil fuels, we recognise our responsibility to take action by focusing on reducing our emissions, increasing our preparedness for physical climate impacts and working with others to enhance the global response to climate change.

Because fossil fuels, like oil and gas, are expected to be used for decades to come to meet the world's growing energy needs, it's essential to find ways to reduce emissions from their production and use. At BHP Billiton, we work each year to identify greenhouse gas (GHG) emissions reduction opportunities across our operations. Our cross-functional teams implement, monitor and review the identified GHG reduction opportunities so that we continue to meet or exceed our voluntary GHG emissions reduction targets.

LOW EMISSIONS TECHNOLOGY

Our strategy is focused on working in partnership with others to develop and deploy low emissions and renewable technologies that can achieve material emissions reductions across our operations and value chains. Our approach to climate change has always been underpinned by engagement, and our technology partnerships provide examples of how the industry can work together to identify solutions.

CARBON CAPTURE AND STORAGE (CCS)

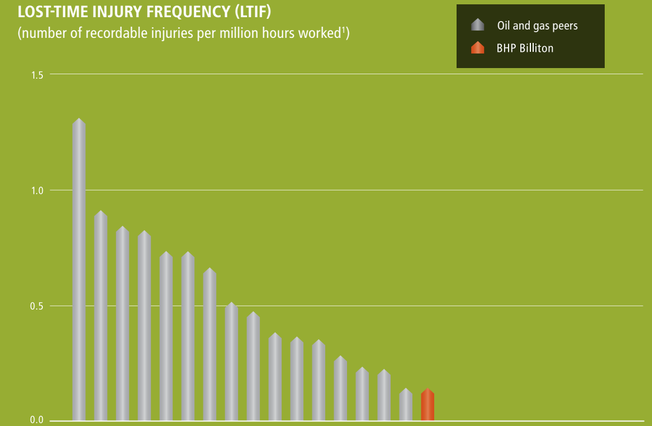
CCS offers material emissions reduction opportunities across multiple sectors, including power generation and industrial processes. Following the establishment of the BHP Billiton SaskPower International CCS Knowledge Centre in Canada, we are now investigating the application of CCS in steelmaking. We will contribute approximately US$7 million over three years to a project with Peking University to address key technical, policy and economic barriers to further deployment of CCS in the steel sector in China. Research outcomes will be shared widely and used to inform a roadmap for development. Additionally, we are close to the agreement of a significant global partnership with a group of leading universities on research into the long-term geological storage of CO_2. This research will help support our existing work in Canada and China.

HEALTH AND SAFETY

The health and safety of our people are paramount. We have a record and reputation as one of the safest companies in the petroleum industry.

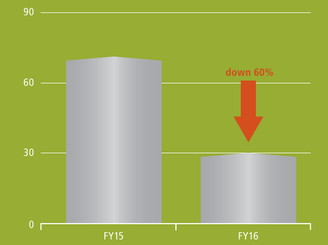
LOST-TIME INJURY FREQUENCY (LTIF)

(number of recordable injuries per million hours worked[1])



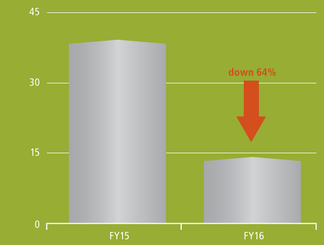
TOTAL RECORDABLE INJURY

(count)



SIGNIFICANT EVENTS

(count)



Source: 1. IOGP Safety Performance Indicators – 2015 Data; excludes contractors.
BHP Billiton analysis.

CONVENTIONAL

STILL THE CORE OF OUR PETROLEUM BUSINESS

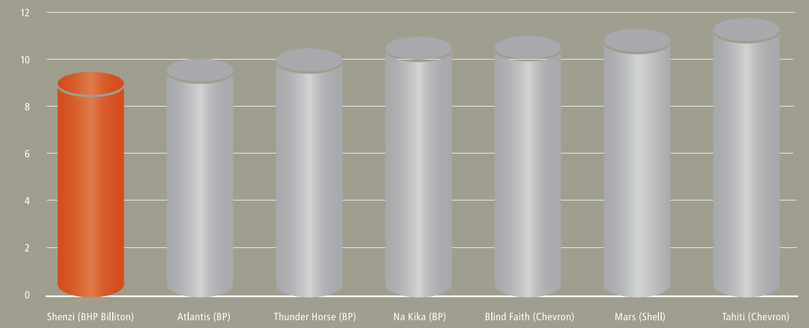
On an average day in FY16, BHP Billiton produced approximately 360,000 boe of hydrocarbons from conventional assets in Australia, the Gulf of Mexico, Trinidad and Tobago, and around the world. In our operated assets, we maintain a reputation for exceptionally high performance in terms of safety, facility uptime and unit cost, particularly in deepwater fields. Our conventional drilling performance is similarly outstanding, even in demanding conditions such as deepwater Gulf of Mexico subsalt formations.

OVERALL BEST-IN-CLASS PRODUCTIVITY

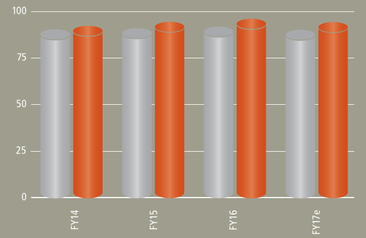
Compared to our peers in conventional petroleum, BHP Billiton consistently delivers the lowest unit cost.

Source: 1. Wood Mackenzie Oil Supply analysis.

DEEPWATER GOM TOTAL OPERATING COSTS (2016)[1]
(US$/boe)

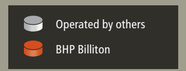


OPERATING UPTIME[2]
(%)



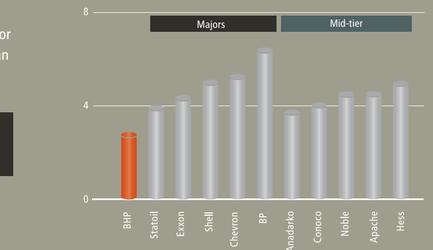
BHP BILLITON'S BEST-IN-CLASS UTILISATION RATES

Our operated assets have continued to deliver superior uptime performance over an extended period.



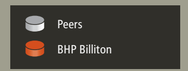
Source: 2. BHP Billiton analysis.

GOM AVERAGE DRILL TIME[3,4]
(days per 1,000 ft)



INDUSTRY-LEADING DRILLING PERFORMANCE

BHP Billiton continues to excel in deepwater drilling performance due to a strong continuous improvement culture.



Sources:
3. Deepwater Gulf of Mexico, subsalt, 2013–2016.
4. Rushmore, Offshore Oil Scouts Association (OOSA), BHP Billiton analysis.

SHALE

CONTINUOUS IMPROVEMENT AND AGILITY

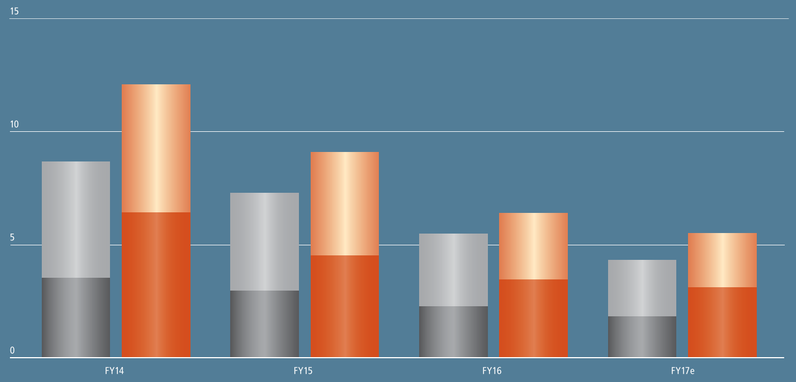
When the right geology, technology and methodology are brought to bear, shale development and production can operate on an efficient, repeatable model that delivers significant production volumes with relatively low upfront costs.

This success requires a total commitment to continuous improvement. In our operations, we examine every link in the supply chain, and we engage with our suppliers to make every dollar count. Every process and workflow is analysed, refined and optimised, and our operational decisions are based not on the ways we've worked in the past, but rather on the hard metrics that define genuine improvement in process and performance. Decisions of exactly where and how to drill and produce are the result of focused, ongoing collaboration among Geoscience, Engineering and Drilling & Completions teams. Across key onshore assets, our performance metrics reflect the success of these approaches.

TOP PERFORMER IN KEY LIQUIDS-RICH FIELDS

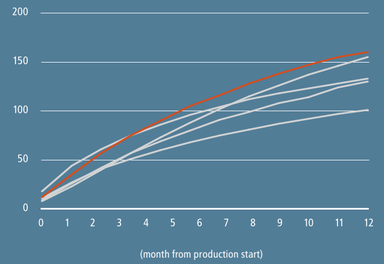
BHP Billiton continues to realise material cost savings while delivering wells that outperform competition in the first year of production.

REDUCTION IN WELL COSTS[1]
(US$ million, 100% basis)

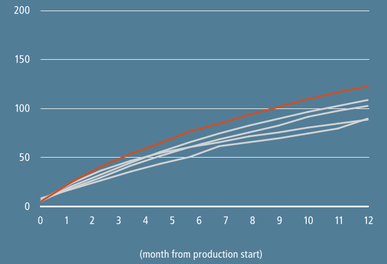


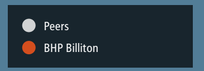
Source: 1. Drilling and completion costs are not normalized for lateral length. Black Hawk drilling cost calculated for 2-string wells only. Permian drilling and completion costs calculated using North Reeves activities. Completion costs exclude trials.

BLACK HAWK WELL PERFORMANCE RELATIVE TO PEERS [2,3,4]
(cumulative production, gross condensate Mbbls)



PERMIAN UPPER WOLFCAMP WELL PERFORMANCE RELATIVE TO PEERS [2,3,5]
(cumulative production, gross condensate Mbbls)





Sources: IHS, BHP Billiton analysis.

2. Cumulative production on single well basis calculated from total monthly production divided by well count for each operator. Peer selection based on well count, rig activity and offset acreage. Analysis excludes peers with less than five comparable wells.
3. Data normalized for 5,000 ft lateral length.
4. Peers are Conoco, EOG, Marathon and Pioneer.
5. Peers are Anadarko, Cimarex, EOG and RKI/WPX.

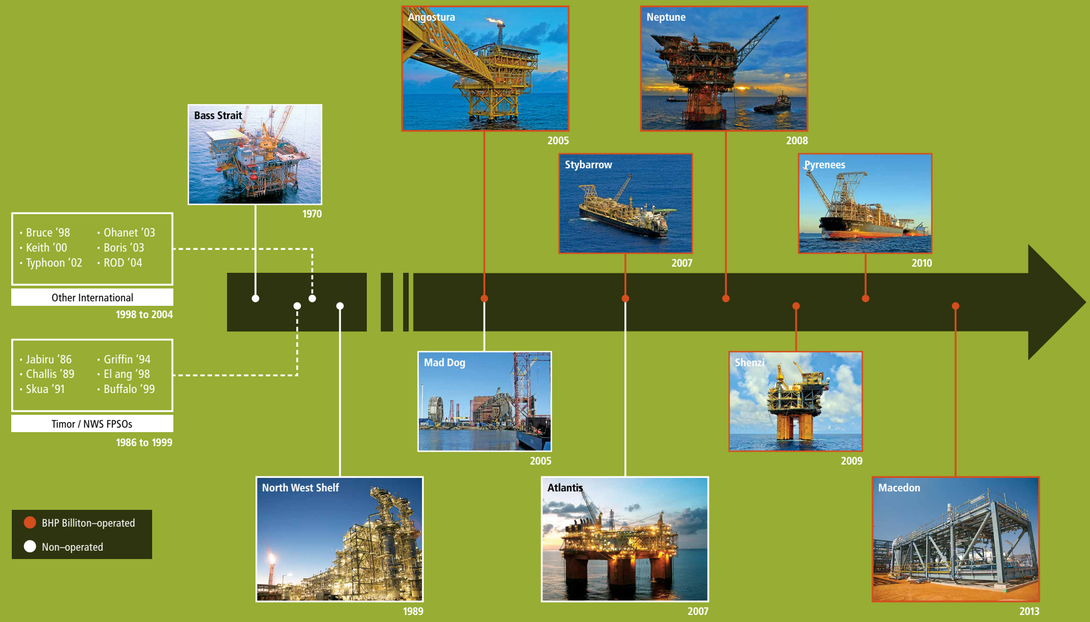
DEVELOPMENT

ON TIME, ON BUDGET AND FIT FOR PURPOSE

From Western Australia to the Gulf of Mexico and beyond, we have a long history over multiple decades of delivering projects safely, on time and on budget. We have the organisational and technical capacity to deliver simple, effective solutions to complex challenges. We constantly strive to advance development concepts that allow us to focus on long-term value over short-term volume; consequently our projects continue to deliver valuable returns, year after year.

PROVEN PROJECT DEVELOPMENT CAPABILITY

From exploration to first oil, BHP Billiton is a recognised industry leader in project execution.



EXPLORATION

FOCUS, SCALE AND CAPABILITY

The Exploration team is engaged in a focused, multi-year exploration campaign, built on the results of an in-depth proprietary global endowment study. This study not only addresses the likelihood of significant hydrocarbon deposits, but also evaluates those promising basins on the basis of their viability for development and production. The data and analysis in this study, in alignment with our company-wide strategy of operating a limited number of high-value assets, is allowing us to concentrate our efforts only in areas we feel have the potential to deliver Tier 1 outcomes.

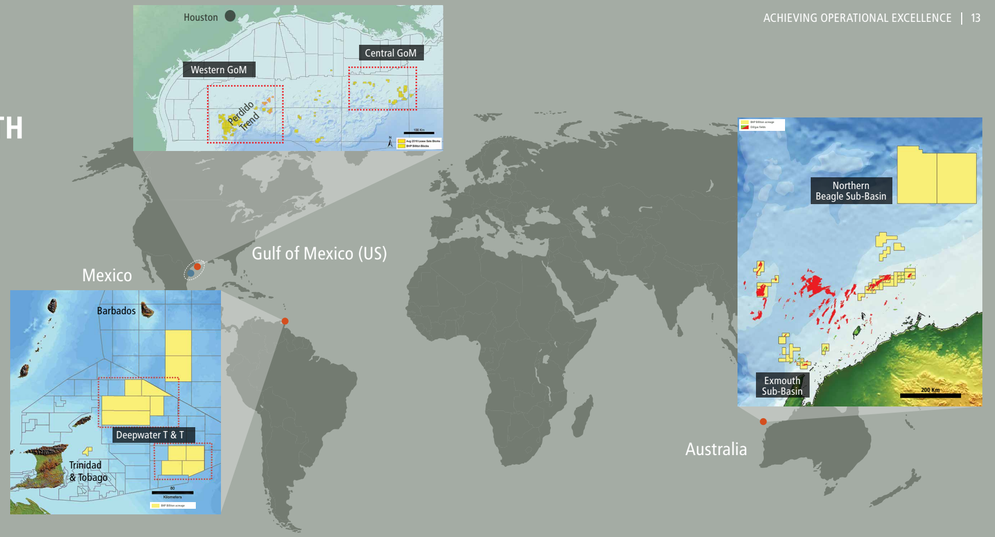
Over the last four years, this strategy has transformed our portfolio to focus on just three areas: the Gulf of Mexico, the Caribbean and the Beagle Basin in Western Australia. We have acquired the right data, built a material position, and are now executing a drilling program across two of the three basins. We also continually evaluate other Tier 1 oil acquisition opportunities, particularly where they are strategically aligned with our strengths and our competitive advantages.

Applying the same discipline and focus to operational excellence in Exploration, the Exploration team is reducing cycle time through having the right technology, the right data and the right processes. This has enabled us to mature identified prospects as fast as – or faster than – anyone else in the industry.

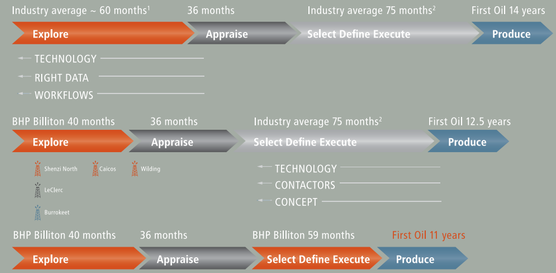
Sources: BHP Billiton internal analysis, Wood Mackenzie.

FOCUSED APPROACH & PORTFOLIO WITH TIER 1 ASSETS

- Current exploration acreage position
- Potential exploration position



MAXIMISING VALUE THROUGH OPERATIONAL EXCELLENCE



Sources: Wood Mackenzie, Performance Forum JIP Benchmark data, BHP Billiton analysis.
1. BHP Billiton analysis of Wood Mackenzie's deepwater well dataset.
2. Performance Forum JIP Benchmark Data for comparable generic project description.
3. Assumes a success case for a 300 MMbbl oil field using BHP Billiton long-term price assumptions.

BENEFITS OF REDUCED CYCLE TIME:

- Improved integration of technical work
- Enhanced strategic planning
- Value creation of US$100 million per annum[3]

Steve Pastor
President Operations, Petroleum

Joined BHP Billiton in 2001. Before assuming his current role, Steve served as Asset President, Conventional, with responsibility for BHP Billiton's global conventional oil and gas business. Other accomplishments include management and operational roles in the Atlantis and Shenzi Gulf of Mexico deepwater projects; roles as Project Director for the Stybarrow and Pyrenees developments in offshore Western Australia; and appointments as General Manager of the Gulf of Mexico Production Unit, General Manager of the Eagle Ford Production Unit, and President, Development.

Steve began his career with Chevron in 1989, working in facilities engineering, production operations and maintenance, drilling & completions, and deepwater projects. He worked on Chevron's first and second deepwater projects (Genesis and Typhoon, respectively).

BS, Mechanical Engineering,
University of New Orleans
MBA, Tulane University

Alex Archila
Asset President, Shale

Joined BHP Billiton in 2009. Prior to his current role, he served as the President of the BHP Billiton Potash business, General Manager of Petroleum Operations in the Permian Basin, and Vice President of Strategy and Planning.

Alex has more than 33 years of industry experience, including some 22 years with Chevron/Texaco. During his tenure, he served as a member of the Chevron Corporation's Management Committee, CEO of Madagascar Oil Ltd. and President of Chevron Canada. He led negotiations around the development of the Guajira gas fields that resulted in the first-ever extension of a producing contract in Colombia; led Texaco's acquisition of equity in the Malampaya field from Shell; and created and structured Madagascar Oil's JV partnership with Total for the development of the Bemolanga field.

BS (Honours), Petroleum Engineering,
University of Southwestern Louisiana
MBA, Universidad de La Sabana

Geraldine Slattery
Asset President, Conventional

Joined BHP Billiton in 1994. Accountable for the worldwide conventional oil and gas business, including BHP Billiton's production and project development in Australia, the Gulf of Mexico, Trinidad and Tobago, Algeria, and the United Kingdom.

Geraldine has 26 years of resource industry experience, with 23 years in the BHP Billiton Petroleum business, working in roles of increasing complexity and scale in Australia, the United Kingdom and the United States. Prior to her current appointment, she was the General Manager of the Australia Production Unit. In the recent past she fulfilled key roles in Petroleum's growth in onshore US Shale as General Manager US Onshore Gas Production and as Vice President Supply. Her experience also includes significant management, operational, HSE and engineering roles in the Liverpool Bay and North Sea Assets in the United Kingdom; in Western Australia FPSO operations; and in Onshore Gas Processing.

BSc (Honours), Physics,
Cork Institute of Technology

Niall McCormack
Vice President, Exploration

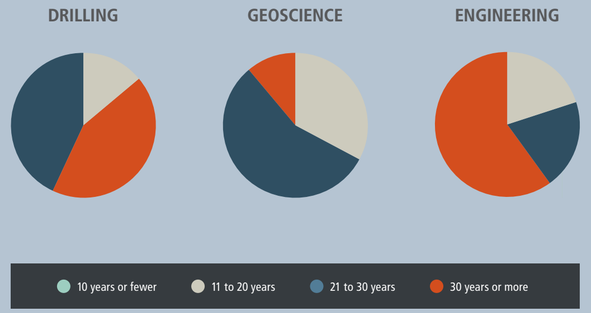
Joined BHP Billiton in 2012. Leads petroleum exploration for BHP Billiton worldwide, focusing on areas with Tier 1 potential. As VP Access, he led the capture of dominant deepwater acreage positions in Trinidad and Tobago, Barbados, the Gulf of Mexico, and Australia. As VP Exploration, he led the completion of the largest-ever 3D seismic survey acquired by an independent oil company in Trinidad and Tobago.

Niall has more than 21 years of experience, starting in geological consultancy and research in minerals exploration. On completion of his Ph.D., Niall joined the oil and gas industry as a geologist for BP in Exploration and Production and worked areas including the United Kingdom, Norway and Kazakhstan. In 2004, he joined GNS Science in New Zealand as a research scientist. From 2006 through 2012, Niall worked at Hess Corp and later Afren Plc., where he held various management positions in exploration and geoscience across the United States, South America, Europe, the Middle East and Africa. He has been involved in major discoveries in the Gulf of Mexico, West Africa and Kurdistan. Niall has taught both nationally and internationally.

BA Mod, Geology, Trinity College, Dublin University
Ph.D., Geology, Trinity College, Dublin University

TECHNICAL LEADERSHIP: EXPERIENCE

Senior leaders in core technical and operational functions within the BHP Billiton Petroleum business average more than 26 years of experience. For a few, most of that tenure came at BHP Billiton; however, the majority gained experience at supermajors before joining BHP Billiton.



Derek Cardno
Vice President, Drilling and Completions

Derek leads the global drilling and completions team for Petroleum. He joined BHP Billiton in 1993, when the company acquired Hamilton Brothers Oil & Gas. He had been with Hamilton Brothers for 10 years prior. Derek's career has progressed through all disciplines within Drilling and Completions, including field supervision, drilling engineering, drilling and completions engineering supervision, drilling superintendent, project drilling manager, senior drilling manager, and divisional drilling and completions vice president. He was named to his present role in 2012. Derek began his career in the United Kingdom and has worked in Algeria, Angola, Holland, Trinidad and Tobago, and the United States. Derek holds a Bachelor of Science degree, with Distinction, in Mechanical Engineering from the Robert Gordon University in Aberdeen, Scotland.

Paul McIntosh
Vice President, Geoscience

Paul was appointed Vice President Geoscience for Petroleum in January 2016, with accountability for geoscience technical assurance, staff development, specialist support and productivity initiatives. Paul joined BHP Billiton's graduate program in 1989 based in Melbourne, and his career has taken him around the world and included a variety of Exploration, Development and Planning leadership roles. Paul has a strong background in both conventional and unconventional basin analysis and play evaluation, with diverse experience working in Australia, Asia, Africa–Middle East, Central Asia–Russia and the United States. Over the past five years, as Senior Manager within Exploration/New Ventures and the Geoscience function, Paul was responsible for leading global new opportunity assessments and endowment studies. Paul is from New Zealand and holds a master's degree in Geology from the University of Otago, Dunedin.

David Purvis
Vice President, Engineering

David Purvis is Vice President Engineering for Petroleum. Prior to moving to this position, David has held a number of senior management roles, including responsibility for establishing the Base Assets organisation and the business delivery of Gulf of Mexico Production Unit. In his current role, David has functional accountability for all operations and engineering staff, technical assurance and implementation of engineering and operational standards across Petroleum. Before joining BHP Billiton in October of 2010, David had a successful 28-year career with Shell in positions of increasing technical and business responsibility in both the domestic and international arenas. David holds a Bachelor of Science degree in Chemical Engineering from Mississippi State University and is a licensed Professional Engineer in Petroleum Engineering.

PETROLEUM RESOURCES

The estimates of Petroleum Reserves and Contingent Resources contained in this presentation are based on, and fairly represent, information and supporting documentation prepared under the supervision of Mr. A. G. Gadgil, who is employed by BHP Billiton. Mr. Gadgil is a member of the Society of Petroleum Engineers and has the required qualifications and experience to act as a Qualified Petroleum Reserves and Resources evaluator under the ASX Listing Rules. This presentation is issued with the prior written consent of Mr. Gadgil who agrees with the form and context in which the Petroleum Reserves and Contingent Resources are presented.

Reserves and Contingent Resources are net of royalties owned by others and have been estimated using deterministic methodology. Aggregates of Reserves and Contingent Resources estimates contained in this presentation have been calculated by arithmetic summation of field/project estimates by category with the exception of the North West Shelf (NWS) Gas Project in Australia. Probabilistic methodology has been utilised to aggregate the NWS Reserves and Contingent Resources for the reservoirs dedicated to the gas project only and represents an incremental 39 MMboe of Proved Reserves. The barrel of oil equivalent conversion is based on 6000 scf of natural gas equals 1 boe. The Reserves and Contingent Resources contained in this presentation are inclusive of fuel required for operations. The custody transfer point(s)/point(s) of sale applicable for each field or project are the reference point for Reserves and Contingent Resources. Reserves and Contingent Resources estimates have not been adjusted for risk. Unless noted otherwise, Reserves and Contingent Resources are as of 30 June 2016. Where used in this presentation, the term Resources represents the sum of 2P Reserves and 2C Contingent Resources.

BHP Billiton estimates Proved Reserve volumes according to SEC disclosure regulations and files these in our annual 20F report with the SEC. All Unproved volumes are estimated using SPE-PRMS guidelines which among other things, allow escalations to prices and costs, and as such, would be on a different basis than that prescribed by the SEC, and are therefore excluded from our SEC filings. All resources and other unproved volumes may differ from and may not be comparable to the same or similarly named measures used by other companies. Unproved estimates are inherently more uncertain than Proved.

Table 1: Net BHP Billiton Petroleum Reserves and Contingent Resources as of June 30, 2016.

	USA		Australia		Rest of World			Total BHP Billiton
Net MMboe	**Onshore US**	**Gulf of Mexico**	**Offshore Western Australia[1,2]**	**Bass Strait & Offshore Victoria**	**Trinidad & Tobago**	**Algeria**	**United Kingdom & Other**	
Proved	298	210	414	303	56	22	–	1,303
Probable	2,707	127	59	94	17	10	–	3,013
2P	3,004	337	473	397	73	32	–	4,316
2C	3,329	392	1,099	153	52	18	20	5,061
2P+2C	6,333	729	1,571	550	124	50	20	9,377
Fuel included above								
Proved	7.0	5.8	36.5	16.9	1.4	1.3	–	69.0
Probable	55.4	3.2	3.6	4.7	–	–	–	66.8
2P	62.4	8.9	40.0	21.7	1.4	1.3	–	135.8
2C	68.7	5.8	113.4	6.8	–	–	–	194.7
2P+2C	131.1	14.8	153.4	28.5	1.4	1.3	–	330.6

1. Includes NWS Gas Project probabilistic increment noted in disclaimer above.
2. Australian resources prior to the announced agreement by Woodside to acquire 50% of BHPB Scarborough area assets.

The SEC permits oil and gas companies, in their filings with the SEC, to disclose only Proved, Probable and Possible Reserves, and only when such Reserves have been determined in accordance with SEC guidelines. We use certain terms in this presentation such as "Resources," "Contingent Resources," "2C Contingent Resources" and similar terms as well as probable reserves not determined in accordance with the SEC's guidelines, all of which measures we are strictly prohibited from including in filings with the SEC. These measures include Reserves and Resources with substantially less certainty than Proved reserves. US investors are urged to consider closely the disclosure in our Form 20-F for the fiscal year ended June 30, 2016, File No. 001-09526 and in our other filings with the SEC, available from us at http://www.bhpbilliton.com. These forms can also be obtained from the SEC as described above.

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