BHP Billiton Limited
171 Collins Street
Melbourne Victoria 3000 Australia
GPO BOX 86
Melbourne Victoria 3001 Australia
Tel +61 1300 55 47 57 Fax +61 3 9609 3015
bhpbilliton.com

BHP Billiton Plc
Neathouse Place
London SW1V 1LH UK
Tel +44 20 7802 4000
Fax + 44 20 7802 4111
bhpbilliton.com

10 March 2015

To: Australian Securities Exchange
London Stock Exchange

cc: New York Stock Exchange
JSE Limited

AUSTRALIAN JOURNAL OF MINING

GLOBAL IRON ORE AND STEEL FORECAST CONFERENCE

BHP Billiton President, Iron Ore, Jimmy Wilson, will present at the Australian Journal of Mining Global Iron Ore and Steel Forecast Conference, in Perth, Western Australia today.

A copy of the presentation is attached.

Further information on BHP Billiton can be found at www.bhpbilliton.com.

Rachel Agnew
Company Secretary

BHP Billiton Limited ABN 49 004 028 077
Registered in Australia
Registered Office: 171 Collins Street Melbourne Victoria 3000

BHP Billiton Plc Registration number 3196209
Registered in England and Wales
Registered Office: Neathouse Place, London SW1V 1LH United Kingdom

The BHP Billiton Group is headquartered in Australia

NEWS RELEASE

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Number 03/15

DELIVERING EXCEPTIONAL RETURNS FROM INSTALLED CAPACITY

BHP Billiton will today reaffirm its ongoing commitment to safely maximising returns on installed capacity at its Western Australia Iron Ore business (WAIO).

Speaking in Perth at the annual Global Iron Ore and Steel Forecast Conference, BHP Billiton President Iron Ore, Jimmy Wilson, will highlight the exceptional returns from the Company's productivity agenda.

"The effectiveness of our approach is validated by our robust financial and operating results despite the challenging market conditions," he said.

"For the first half of this financial year the team has delivered a solid underlying EBIT margin of 49 per cent and a return on assets of 34 per cent."

Mr Wilson will also reiterate WAIO is on track to achieve unit cash costs of less than US$20 per tonne[1] through a relentless pursuit of equipment availability and utilisation, efficient procurement and supply management and capital and workforce productivity.

He will also highlight BHP Billiton's strong and differentiated position in the Pilbara.

"Not only is our concentrated resource position a competitive advantage, but the quality and high-grade characteristics of our orebodies translates into premium products in the market," Mr Wilson said.

"The majority are high Fe Brockman and Marra Mamba ores, with low impurities and a high proportion of lump, around which we optimise our mine plans to maximise our profit margin.

"We can deliver high-quality product that our customers value, through existing hub infrastructure, at a low operating cost. Our footprint also means that we won't need to invest in new mining hubs to sustain current operations for decades."

BHP Billiton also anticipated the increasing supply of seaborne iron ore, approving the last of its major capital investments in its Pilbara infrastructure in 2011.

"Over the past decade, BHP Billiton made a US$25 billion capital investment in infrastructure and equipment in our WAIO operations. Through our disciplined program of investment, we were able to deliver valuable tonnes to market and maintain our share of supply," Mr Wilson said.

"We have no major projects in execution and our growth pathway will be achieved by continuing to make our existing infrastructure more productive.

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[1] *Excluding freight and royalties, based on an exchange rate of AUD/USD 0.91.*

"With this strategy we are maintaining Australia's competitive position in the global market and providing the revenue, royalties, employment and innovation that is so important for this country's future."

WAIO achieved record production of 124 million tonnes in the first half and is on track to deliver 245 million tonnes in the 2015 financial year (100 per cent basis).

Further information on BHP Billiton can be found at: www.bhpbilliton.com.

Media Relations

Australia

Emily Perry
Tel: +61 3 9609 2800 Mobile: +61 477 325 803
email: Emily.Perry@bhpbilliton.com

Paul Hitchins
Tel: + 61 3 9609 2592 Mobile: + 61 419 315 001
email: Paul.Hitchins@bhpbilliton.com

Eleanor Nichols
Tel: +61 3 9609 2360 Mobile: +61 407 064 748
email: Eleanor.Nichols@bhpbilliton.com

United Kingdom

Ruban Yogarajah
Tel: +44 20 7802 4033 Mobile: +44 7827 082 022
email: Ruban.Yogarajah@bhpbilliton.com

Jennifer White
Tel: +44 20 7802 7462 Mobile: +44 7827 253 764
email: Jennifer.White@bhpbilliton.com

Americas

Ruban Yogarajah
Tel: +44 20 7802 4033 Mobile: +44 7827 082 022
email: Ruban.Yogarajah@bhpbilliton.com

Investor Relations

Australia

Tara Dines
Tel: +61 3 9609 2222 Mobile: +61 499 249 005
email: Tara.Dines@bhpbilliton.com

Andrew Gunn
Tel: +61 3 9609 3575 Mobile: +61 402 087 354
email: Andrew.Gunn@bhpbilliton.com

United Kingdom and South Africa

Jonathan Price
Tel: +44 20 7802 4131 Mobile: +44 7990 527 726
email: Jonathan.H.Price@bhpbilliton.com

Dean Simon
Tel: +44 20 7802 7461 Mobile: +44 7717 511 193
email: Dean.Simon@bhpbilliton.com

Americas

James Agar
Tel: +1 212 310 1421 Mobile: +1 347 882 3011
email: James.Agar@bhpbilliton.com

Joseph Suarez
Tel: +1 212 310 1422 Mobile: +1 646 400 3803
email: Joseph.Suarez@bhpbilliton.com

BHP Billiton Limited ABN 49 004 028 077
Registered in Australia
Registered Office: Level 16, 171 Collins Street
Melbourne Victoria 3000 Australia
Tel +61 1300 55 4757 Fax +61 3 9609 3015

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Tel +44 20 7802 4000 Fax +44 20 7802 4111

Members of the BHP Billiton Group which is headquartered in Australia

Safely delivering exceptional returns

Jimmy Wilson
President – Iron Ore
10 March 2015

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Disclaimer

Forward-looking statements

This release contains forward-looking statements, including statements regarding: trends in commodity prices and currency exchange rates; demand for commodities; plans, strategies and objectives of management; closure or divestment of certain operations or facilities (including associated costs); anticipated production or construction commencement dates; capital costs and scheduling; operating costs and shortages of materials and skilled employees; anticipated productive lives of projects, mines and facilities; provisions and contingent liabilities; tax and regulatory developments.

Forward-looking statements can be identified by the use of terminology such as ‘intend’, ‘aim’, ‘project’, ‘anticipate’, ‘estimate’, ‘plan’, ‘believe’, ‘expect’, ‘may’, ‘should’, ‘will’, ‘continue’, ‘annualised’ or similar words. These statements discuss future expectations concerning the results of operations or financial condition, or provide other forward-looking statements.

These forward-looking statements are not guarantees or predictions of future performance, and involve known and unknown risks, uncertainties and other factors, many of which are beyond our control, and which may cause actual results to differ materially from those expressed in the statements contained in this release. Readers are cautioned not to put undue reliance on forward-looking statements.

For example, our future revenues from our operations, projects or mines described in this release will be based, in part, upon the market price of the minerals, metals or petroleum produced, which may vary significantly from current levels. These variations, if materially adverse, may affect the timing or the feasibility of the development of a particular project, the expansion of certain facilities or mines, or the continuation of existing operations.

Other factors that may affect the actual construction or production commencement dates, costs or production output and anticipated lives of operations, mines or facilities include our ability to profitably produce and transport the minerals, petroleum and/or metals extracted to applicable markets; the impact of foreign currency exchange rates on the market prices of the minerals, petroleum or metals we produce; activities of government authorities in some of the countries where we are exploring or developing these projects, facilities or mines, including increases in taxes, changes in environmental and other regulations and political uncertainty; labour unrest; and other factors identified in the risk factors discussed in BHP Billiton’s filings with the U.S. Securities and Exchange Commission (the “SEC”) (including in Annual Reports on Form 20-F) which are available on the SEC’s website at www.sec.gov.

Except as required by applicable regulations or by law, the Group does not undertake any obligation to publicly update or review any forward-looking statements, whether as a result of new information or future events.

Non-IFRS financial information

BHP Billiton results are reported under International Financial Reporting Standards (IFRS) including Underlying EBIT and Underlying EBITDA which are used to measure segment performance. This release may also include certain non-IFRS measures including Underlying attributable profit, Underlying basic earnings per share, Underlying EBITDA interest coverage, Adjusted effective tax rate, Underlying EBIT margin, Underlying EBITDA margin, Underlying return on capital, Free cash flow, Net debt and Net operating assets. These measures are used internally by management to assess the performance of our business, make decisions on the allocation of our resources and assess operational management. Non-IFRS measures have not been subject to audit or review and should not be considered as an indication of or alternative to an IFRS measure of profitability, financial performance or liquidity.

No offer of securities

Nothing in this presentation should be construed as either an offer to sell or a solicitation of an offer to buy or sell BHP Billiton securities or securities in the new company to be created by the proposed demerger (South32) in any jurisdiction.

Reliance on third-party information

The views expressed in this release contain information that has been derived from publicly available sources that have not been independently verified. No representation or warranty is made as to the accuracy, completeness or reliability of the information. This release should not be relied upon as a recommendation or forecast by BHP Billiton.

Key themes

- We value safe and sustainable operations above all else
- Low-cost seaborne iron ore is replacing high-cost supply and flattening the cost curve
- Our relentless focus on capacity utilisation, supply excellence, people productivity and project excellence will endure
- We have reduced unit costs to US$20.35[1] per tonne with significant further improvement anticipated
- We continue to deliver exceptional returns
- Low-cost debottlenecking opportunities are available to take system capacity to 290 Mtpa

1. Western Australia Iron Ore (WAIO) unit cash costs excluding freight and royalties.

We continue to deliver on our commitments

Western Australia Iron Ore	…what we've delivered in H1 FY15
Safe and sustainable operations above all else	✓ **TRIF FY14 of 5.3 to 4.0**
Full-year guidance for FY15 is 245 Mt[1]	✓ **124 Mt[1] produced with ~23% lump**
FOB unit costs of less than US$20 per tonne[2] at WAIO over the medium term	✓ **Reduced unit cash costs[1] by 29% to US$20.35/t**
Deliver exceptional returns	✓ **Solid underlying EBIT Margin of 49% and return of 34%[3]**

1. Western Australia Iron Ore (WAIO),100% basis.
2. Unit cash costs excluding freight and royalties. Based on real 2014 terms and an exchange rate of AUD/USD 0.91.
3. H1 FY15 EBIT annualised divided by net operating assets.

Low-cost supply continues to replace high-cost iron ore units

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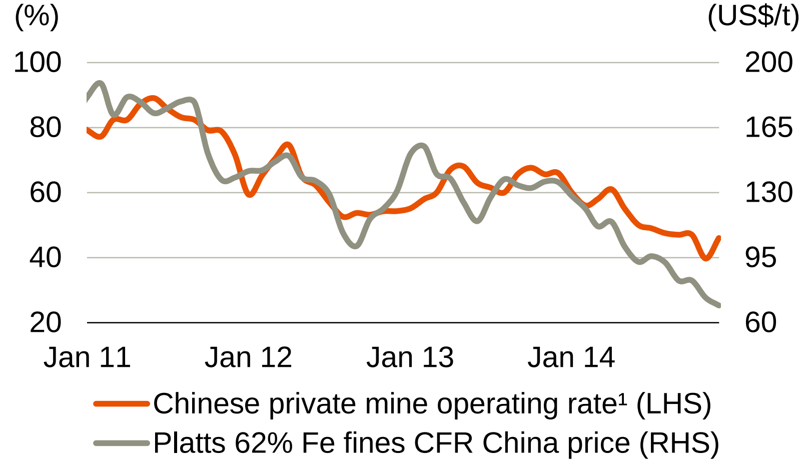
Short-term drivers

- Iron ore prices are likely to remain subdued over the short to medium term as low-cost supply continues to rise
- Higher-cost supply, particularly in China, is responding to declining prices

Long-term outlook

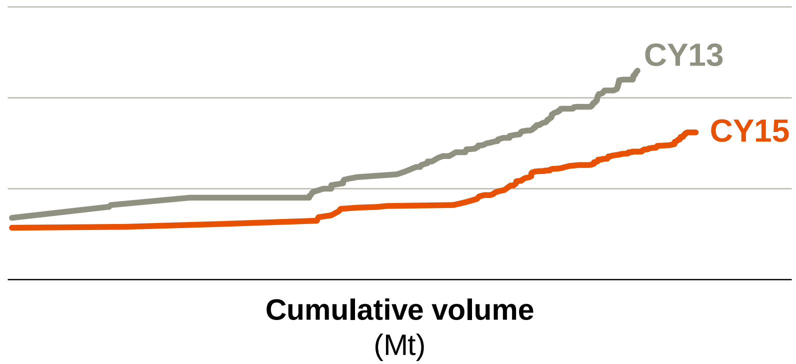
- The cost curve will continue to flatten as low-cost seaborne supply replaces high cost supply
- We expect China's crude steel production to peak at 1 to 1.1 billion tonnes in the mid-2020s and plateau through to 2030
- After 2030, growth in the availability of steel scrap will cause global demand for iron ore to decline

Capacity utilisation responding to declining prices



Iron ore cost curve is flattening

(CIF China equivalent basis, US$/t, nominal)



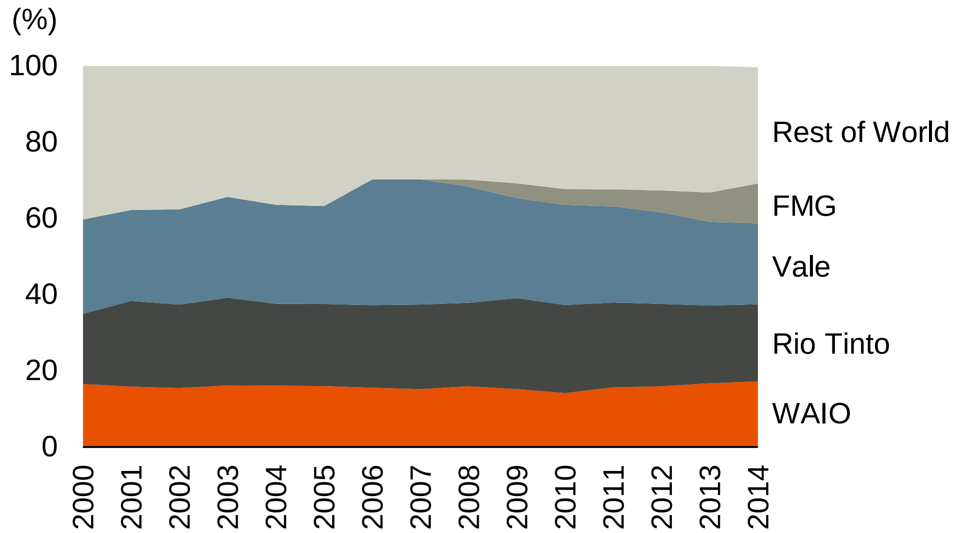
Source: Platts; Mysteel; Global Insight; Worldsteel; BHP Billiton analysis. Cost curve from Macquarie Bank, February 2015.

1. Private mines only; excludes SOEs. Source: SMM.

Our increase in volume, for value, has resulted in no growth in our market position

- BHP Billiton has maintained share of iron ore exports through a disciplined program of investment
- We approved our last major investment at WAIO in 2011
- Since then we have focused on productivity
  - capacity utilisation, driving more volume through existing infrastructure
  - reducing external expenditure through lower demand, better rates and insourcing services
  - driving efficiencies and optimising functional support to enable people productivity
- Our productivity focus has resulted in volume growth above the original capital investment

Share of iron ore exports[1]



Total iron ore export growth[1]

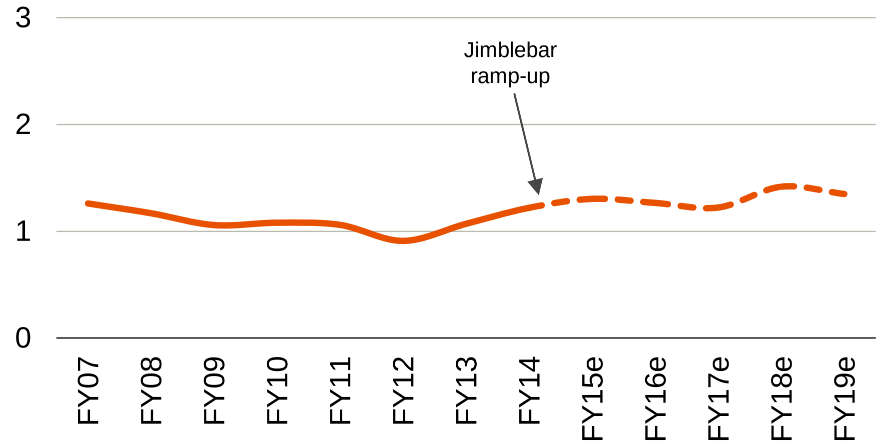
	2008-2014 CAGR	Share of exports[2]
Rest of World	10%	31%
Vale	3%	21%
Rio Tinto Pilbara	8%	20%
BHP Billiton WAIO	11%	17%
Fortescue	46%	11%
Total	**10%**	**100%**

Source: Wood Mackenzie 2015.
1. All iron ore products including lump, fines, pellet feed and pellets, 100%.
2. Share of exports in 2014. BHP Billiton data excludes Samarco.

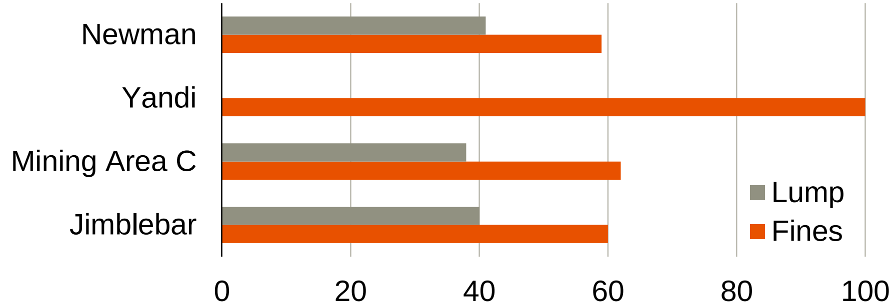
The characteristics of our orebodies support consistently low-cost, high-margin operations

- Our world-class orebodies will enable us to position as the lowest-cost supplier of iron ore to China
  - stable strip ratio at an average of 1.3x over the next five years
  - majority of production above the water table
  - maintaining product specification at the 62% Fe benchmark
  - lump to remain ~25%[1] of the product mix, or ~40% excluding Yandi
  - lump yield captured a premium[2] of more than US$10/DMT in H1 FY15

WAIO strip ratio



WAIO FY15 Lump and Fines breakdown
(%)



Source: BHP Billiton.
1. Total WAIO lump as a percentage of production includes Yandi fines.
2. Based on average Platts lump premium index and lump Fe content.

Continuous optimisation ensures a reliable and robust fully integrated supply chain

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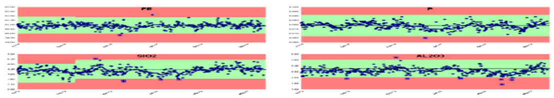
Integrated Remote Operations Centre

Flow	Synchron-isation	Balance

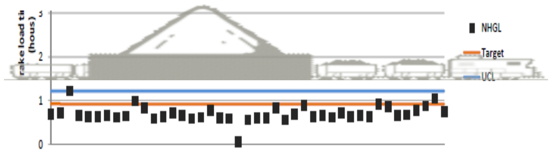
Focus at Mines

Enable SL[1] utilisation – Target the factors that mines control

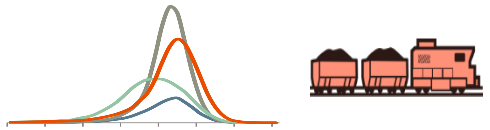
Product on specification



Load times



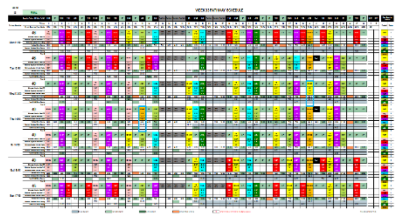
Ore car weights



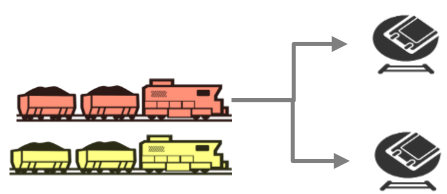
Focus at Rail

Enable SL[1] utilisation – Target the reliable feeding of port

Reliable travel times and train departures per day



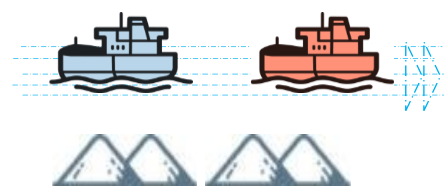
Reliable feed of car dumpers



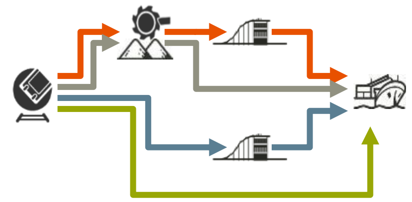
Focus at Port

Lifting SL[1] utilisation – Maximise berth loading hours, underpinned by reliability

Vessel sequencing and yard focus



Direct to ship complementing BWR[1] routes

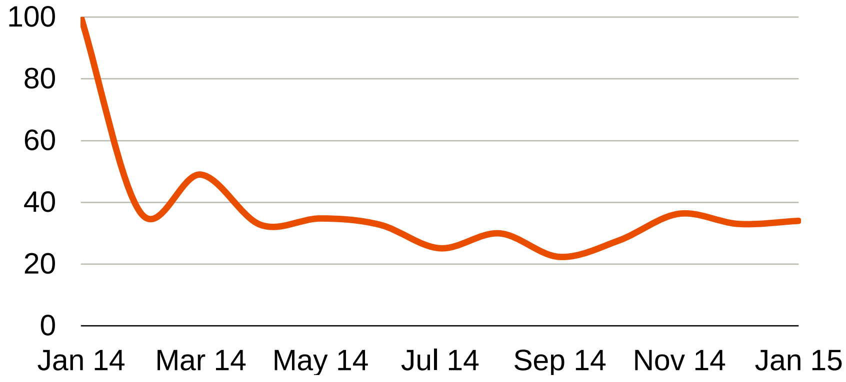


1. Refers to shiploader (SL) and bucket wheel reclaimer (BWR).

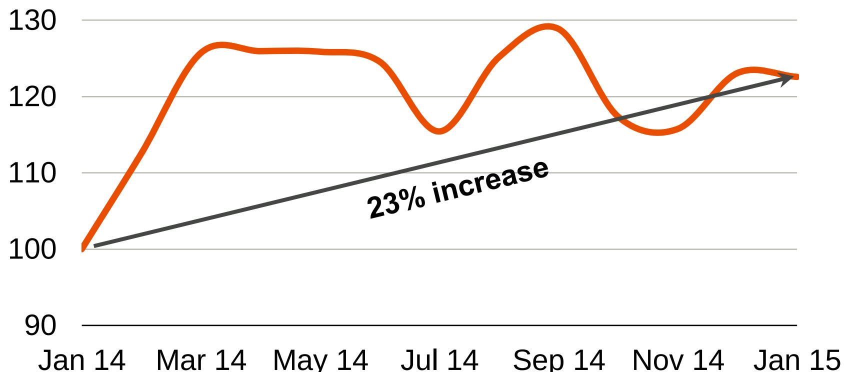
Focus on availability, utilisation and rate has raised port capability

- **Availability** of car dumpers and shiploaders (SL) has increased
  - approaching target of 90% with upside potential of 92%
- **Utilisation** substantially enhanced through better planning and scheduling
  - regular train presentation has improved car dumper utilisation by 23% since January 2014
  - improved ship sequencing and presentation at the berths
- **Rate** of port equipment lifted through a combination of initiatives
  - optimised direct to ship volumes
  - lump processing rates increased via direct loading from car dumper to rescreening plants
  - benefits being realised from routes upgraded at low cost

SL unscheduled equipment downtime per tonne
(index, January 2014 = 100)



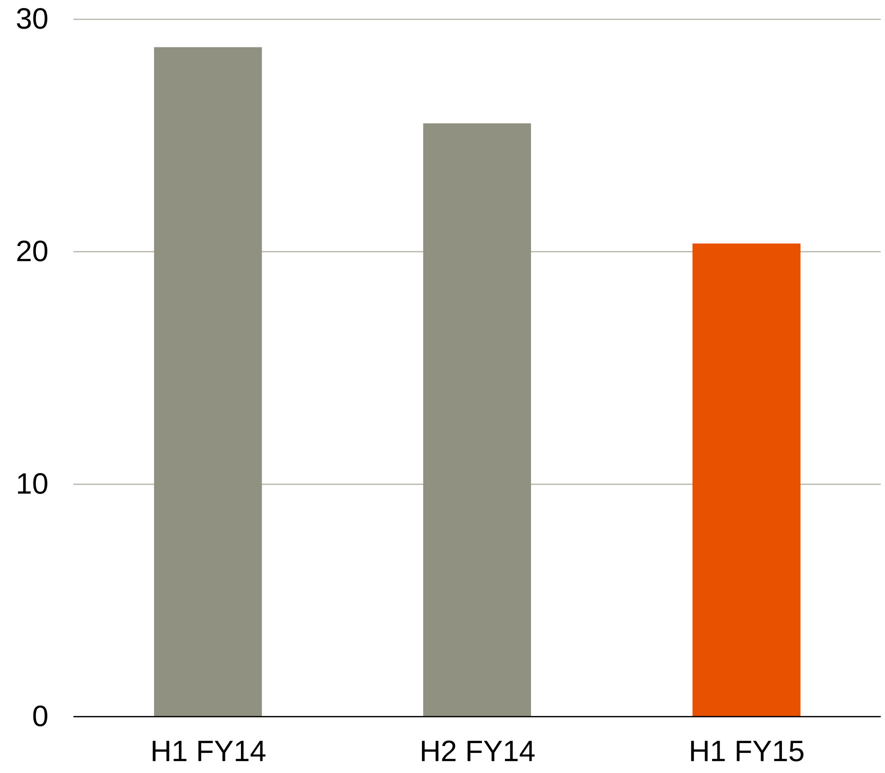
Total car dumper utilisation
(index, January 2014 = 100)



A substantive and sustainable reduction in costs with more to come

- We continue to systematically target cost savings across the supply chain
- Our pathway to deliver unit cash costs below **US$20/t[1]** in the medium term has already delivered outstanding results
  - strong early momentum as we reduced unit cash costs[1] by 29% in H1 FY15 to US$20.35/t
  - controllable costs reduced by US$727[2] million in H1 FY15
- Our targeted ~US$1 billion reduction in external expenditure by FY17[3] is already delivering

WAIO unit cash costs have decreased significantly
(unit cash cost, US$/t[1])



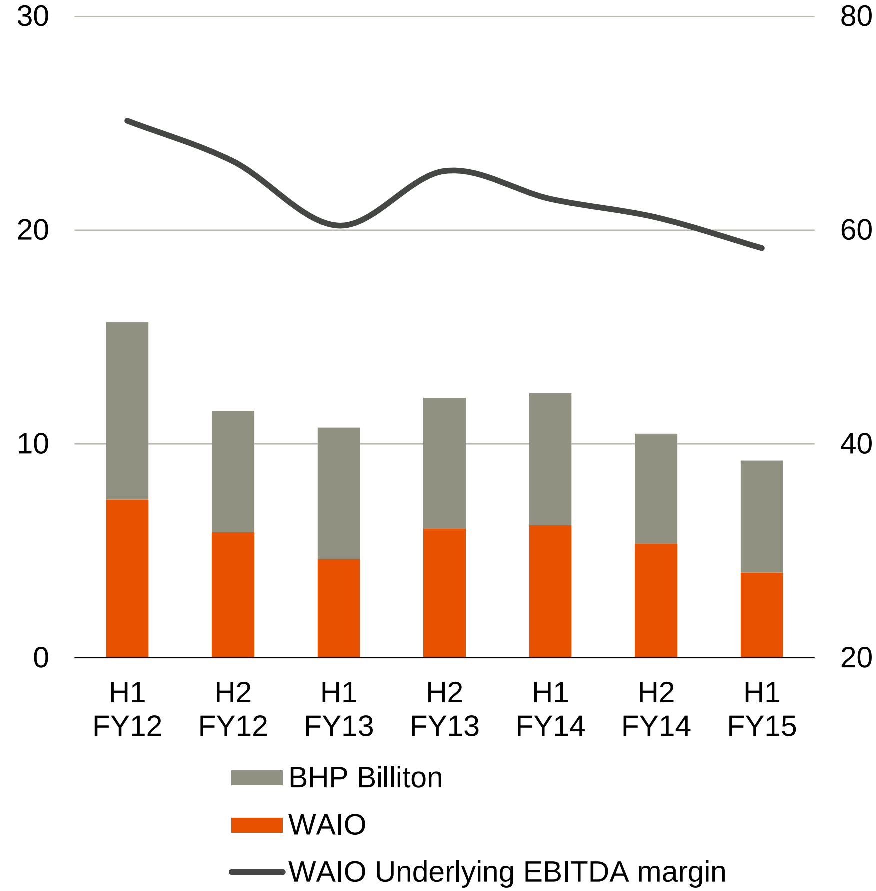
1. Excludes freight and royalties. Based on an exchange rate of AUD/USD 0.91.
2. Compared to H1 FY14.
3. Annualised basis relative to FY14.

WAIO continues to deliver exceptional returns

- Exceptional returns for H1 FY15
  - Underlying EBITDA margin[1] of 58%
  - US$4 billion of Underlying EBIT
  - Underlying EBIT[1] margin of 49%
  - Return on assets of 34%[2]
- Committed to maximising returns from our already installed infrastructure
  - ingrained focus on cost throughout the business at all levels
  - further cost reduction will keep us on the left hand side of the cost curve
- Our goal is to be the lowest-cost supplier of iron ore to China

WAIO financial performance

(Underlying EBIT[3], US$ billion) (Underlying EBITDA margin, %)

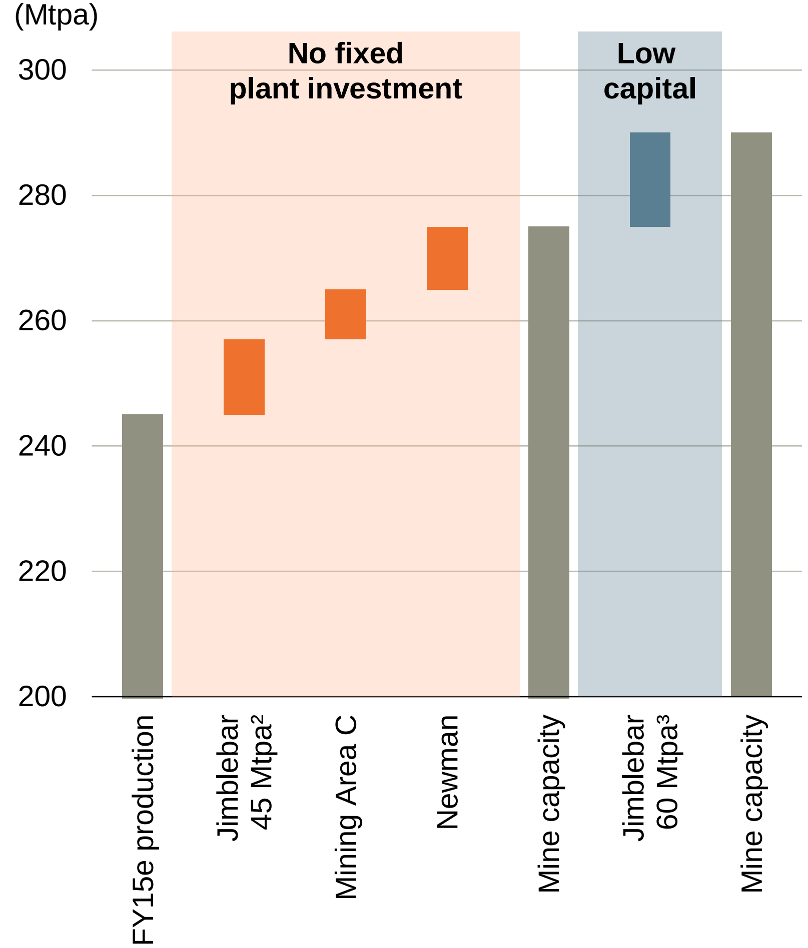


1. Excludes third party trading activities.
2. H1 FY15 EBIT annualised divided by net operating assets.
3. Calculated on the basis of IFRS10, IFRS11 and IFRIC20 for the periods FY13 onwards

Significant value and improved reliability through debottlenecking to 290 Mtpa

- Our relentless focus on productivity will deliver volume growth from installed infrastructure
  - improving reliability will deliver an additional ~30 Mtpa[1] of mine output
- **Jimblebar Phase 2** will increase hub capacity from 45 to 60 Mtpa[1,3] taking total mine capacity to 290 Mtpa[1]
  - just a primary crusher and additional mining fleet required
- **Inner Harbour Debottlenecking 1**[3] will deliver ~20 Mtpa[1] of incremental port capacity
  - low-capital intensity upgrades of critical inflow and outflow routes at Nelson Point and Finucane Island

Re-rating our hub capacity beyond 245 Mtpa[2]



1. 100% basis.
2. Includes 2 Mt of growth related tonnes with respect to the ramp-up to 35 Mtpa.
3. Subject to Board approval.

Key themes

- We value safe and sustainable operations above all else
- Low-cost seaborne iron ore is replacing high-cost supply and flattening the cost curve
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- We have reduced unit costs to US$20.35[1] per tonne with significant further improvement anticipated
- We continue to deliver exceptional returns
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1. Western Australia Iron Ore (WAIO) unit cash costs excluding freight and royalties.

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