

BHP Billiton Iron Ore

Analysts Visit – September 11 & 12, 2003



Iron Ore

September 2003



bhpbilliton

BHP Billiton Iron Ore

A long term, high volume, quality supplier of iron ore
lump and fines

Utilising 15 of the over 40 orebodies held by three joint ventures
to deliver 10 iron ore products for the world

Location Map

Newman to Nelson Point - 426km

- Jimblebar spur line is 32km

Yandi to Nelson Point - 310 km

- Yandi spur line is 30km
- Area C spur line extension from Yandi is 38km

Yarrie to Finucane Island - 208km



BHP Billiton Iron Ore's Joint Ventures

- **Mt. Newman JV ($\approx 35\text{Mwmt/a}$)**
 - 85 per cent BHP Billiton Minerals Pty. Ltd.
 - 10 per cent Mitsui - Itochu Iron Pty. Ltd.
 - 5 per cent CI Minerals Australia Pty. Ltd.
 - *Note : Jimblebar is 100% owned by BHP Billiton Minerals Pty Ltd*
- **Mt. Goldsworthy Mining Associates JV ($\approx 8\text{Mwmt/a}$)**
 - 85 per cent BHP Billiton Minerals Pty. Ltd.
 - 7 per cent Mitsui Iron Ore Corporation Pty. Ltd.
 - 8 per cent CI Minerals Australia Pty. Ltd.
 - **POSMAC JV (Sublease of Mt. Goldsworthy JV's 'C deposit')**
 - 65 per cent BHP Billiton Minerals Pty. Ltd.
 - 20 per cent POSCO
 - 7 per cent Mitsui Iron Ore Corporation Pty. Ltd.
 - 8 per cent CI Minerals Australia Pty. Ltd.
- **Yandi JV ($\approx 37\text{Mwmt/a}$)**
 - 85 per cent BHP Billiton Minerals Pty. Ltd.
 - 7 per cent Mitsui Iron Ore Corporation Pty. Ltd.
 - 8 per cent CI Minerals Australia Pty. Ltd.



BHPBIO is the operator and marketer for each of the above Joint Ventures

Iron Ore Products

The Iron Ore business is made up of several joint ventures (JV) each having their own range of products:

1. Mt. Newman Joint Venture

- Mt Newman High Grade Lump (Hematite ore)
- Mt Newman High Grade Fines (Hematite ore)
- Port Hedland Sinter Fines (Hematite and Pisolitic ore)

2. Mt. Goldsworthy Mining Associates Joint Venture

- Goldsworthy High Grade Lump (Hematite ore)
- Goldsworthy High Grade Fines (Hematite ore)
- Goldsworthy Siliceous Run-Of-Mine (Hematite ore)

3. Mining Area C Joint Venture

- MAC™ Lump (Marra Mamba ore)
- MAC™ Fines (Marra Mamba ore)

4. Yandi Joint Venture

- Yandi Fine Ore (Pisolitic ore)
- Yandi Lump Ore (Pisolitic ore)

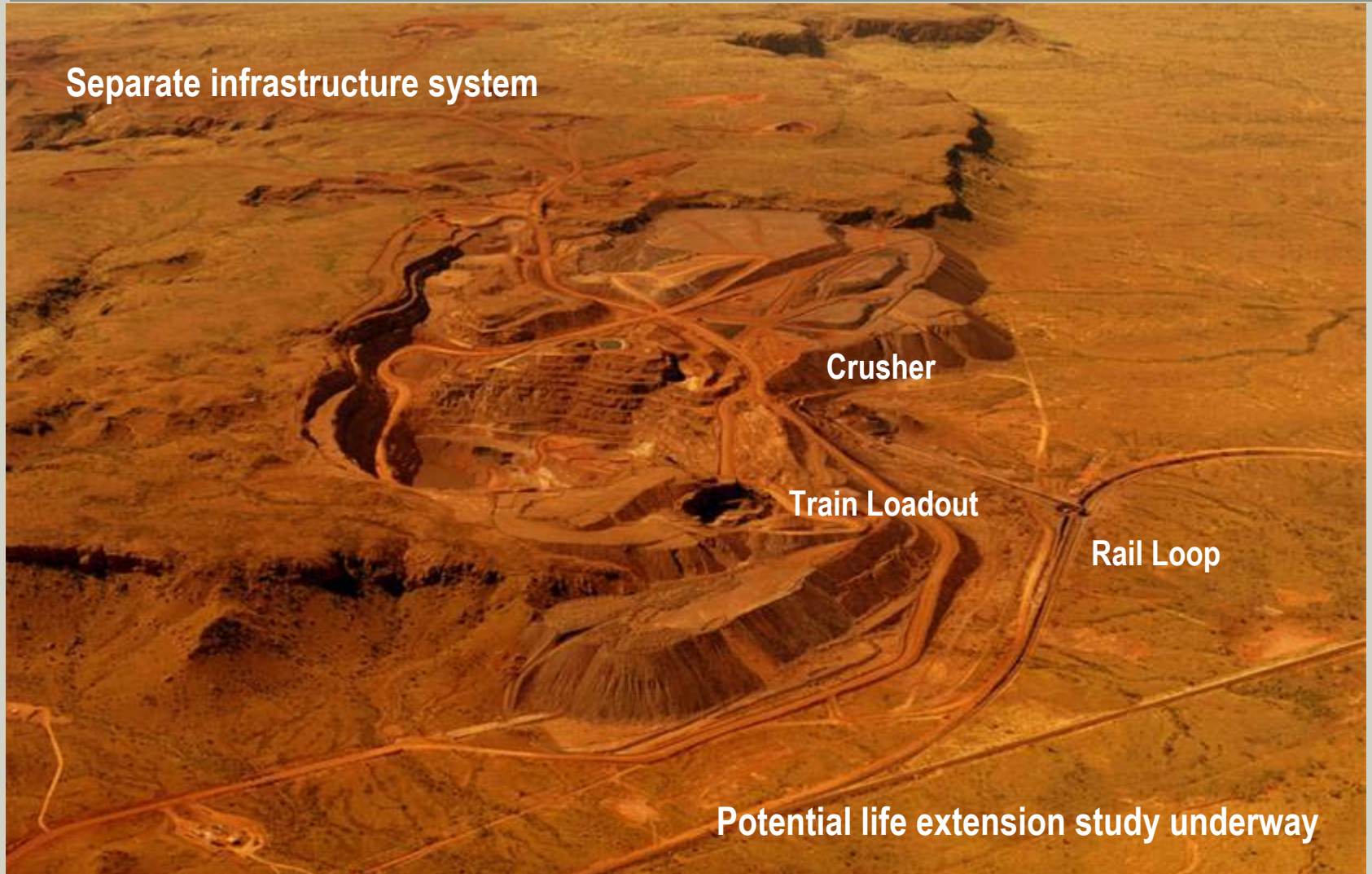


Mt. Whaleback Mine

- Newman Joint Venture – Over 1 billion tonnes shipped in 34 years
- Brockman Ores – highest Fe material available from Western Australia
- Newman Fines ideal for sintering
- Newman Lump – premium blast furnace feed
- Remaining mine life – 20 years plus

Goldsworthy Mine - Yarrie Y2

Separate infrastructure system



Potential life extension study underway

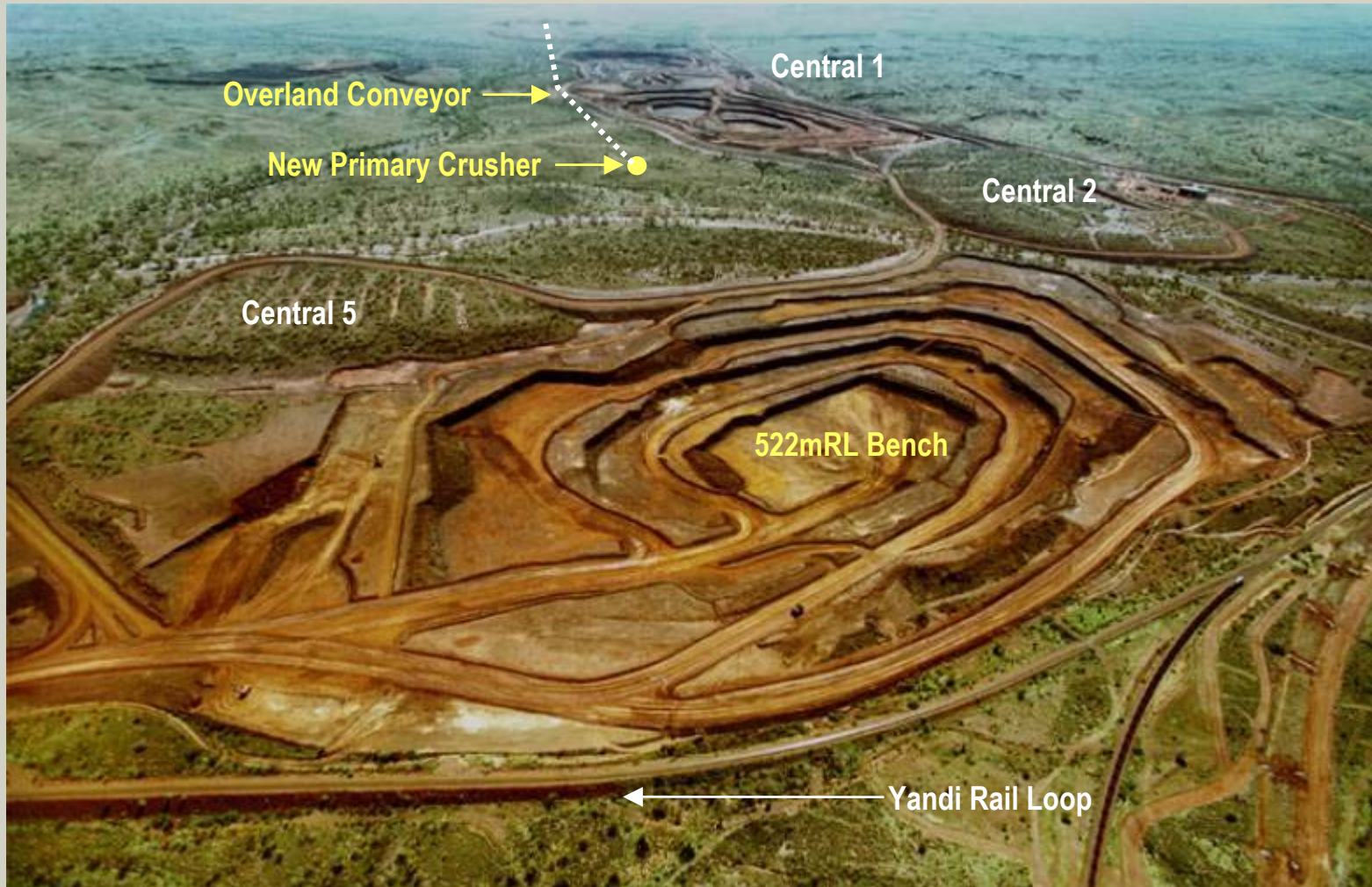
Yandi Development



- Yandi has seen unprecedented growth in demand over the past decade
- Can currently produce ore from 4 separate pit areas to 3 processing facilities
- Processing facilities and site infrastructure have been expanded to provide additional product and capacity
- Further plant has recently been approved to improve operational efficiency (small capacity increase)
- Reviews are continuing into future long term strategy for Yandi

Yandi Plant Development :

Central 1 to Ore Handling Plant 2 – Primary Crusher & Overland Conveyor

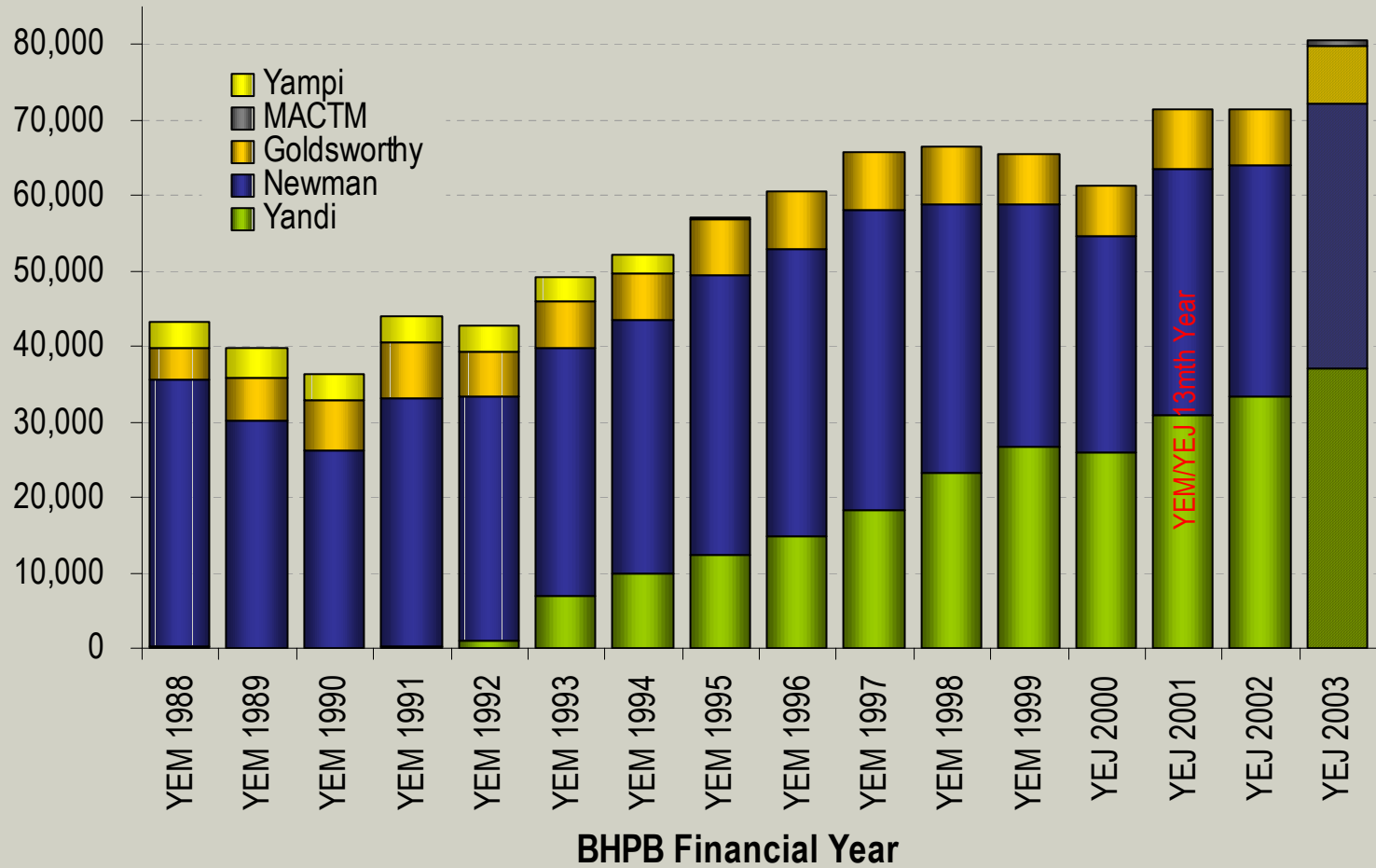


Yandi Plant Development : Ore Handling Plant 2 + Interim Crushing Plant



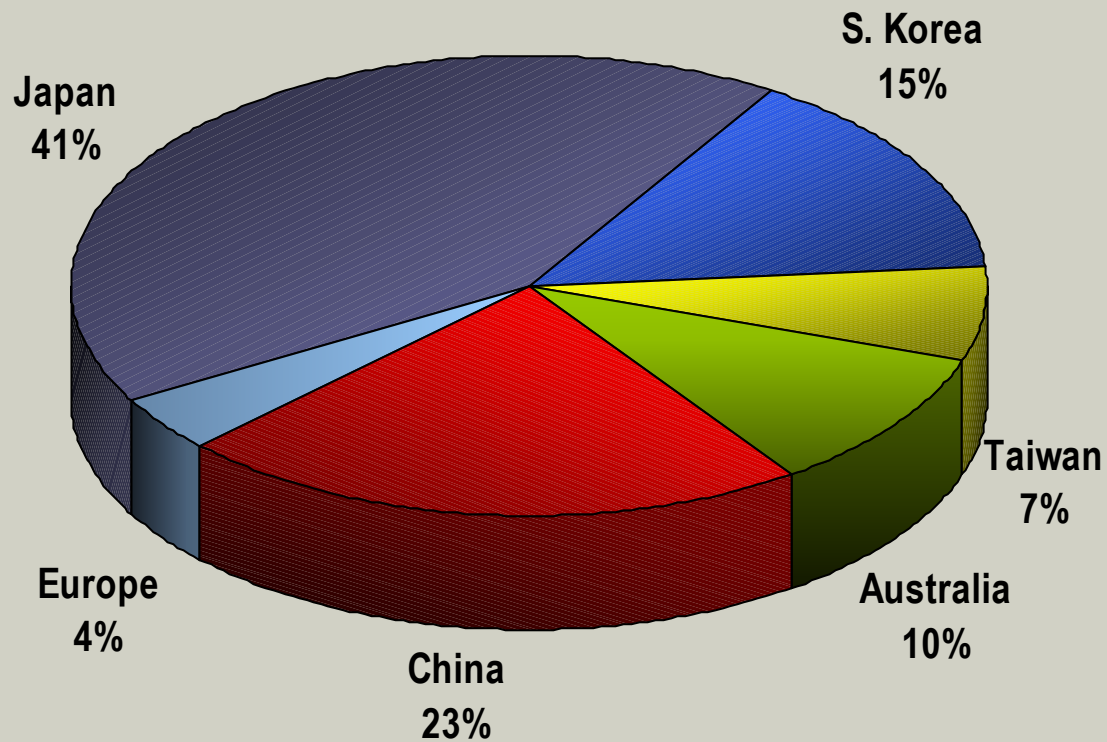
BHP Billiton Iron Ore – Sales

'000 Wmt



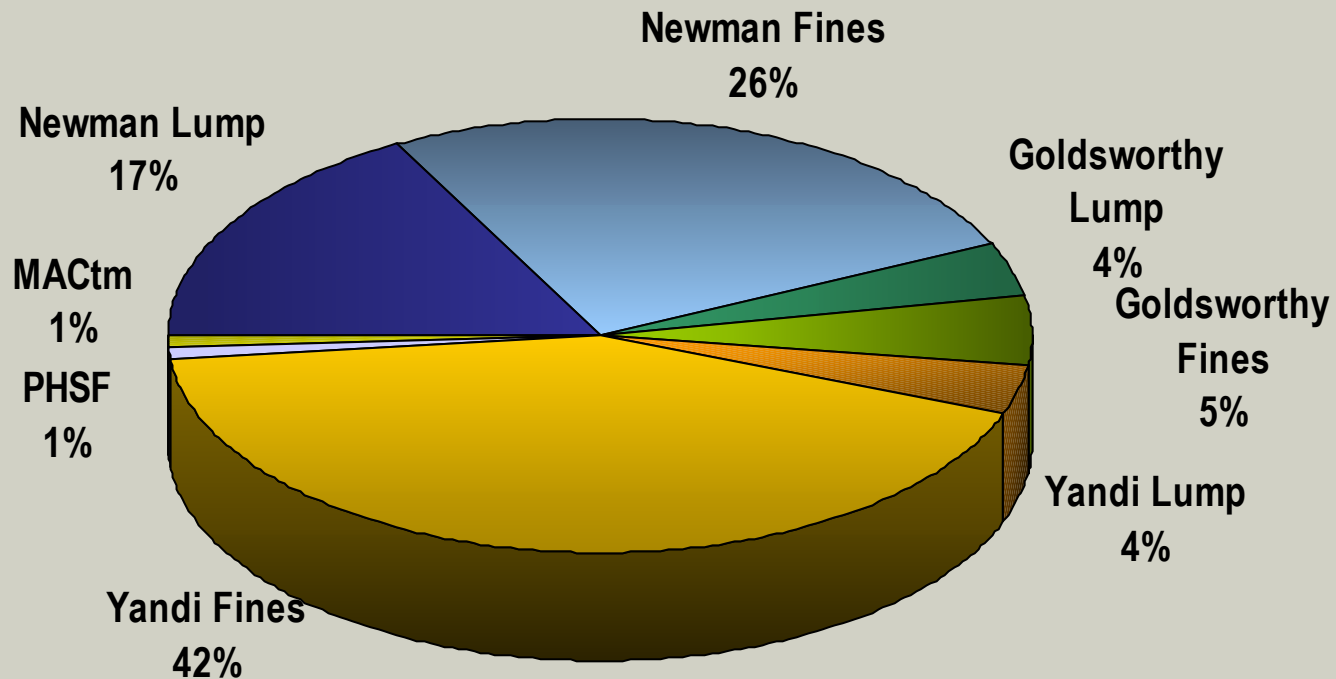
BHP Billiton Iron Ore Sales (Year Ending June 2003)

YEJ 2003 Total = 80.6Mt (wet metric tonnes)



BHP Billiton Iron Ore Sales by Product (Year Ending June 2003)

YEJ 2003 Total = 80.6Mt (wet metric tonnes)

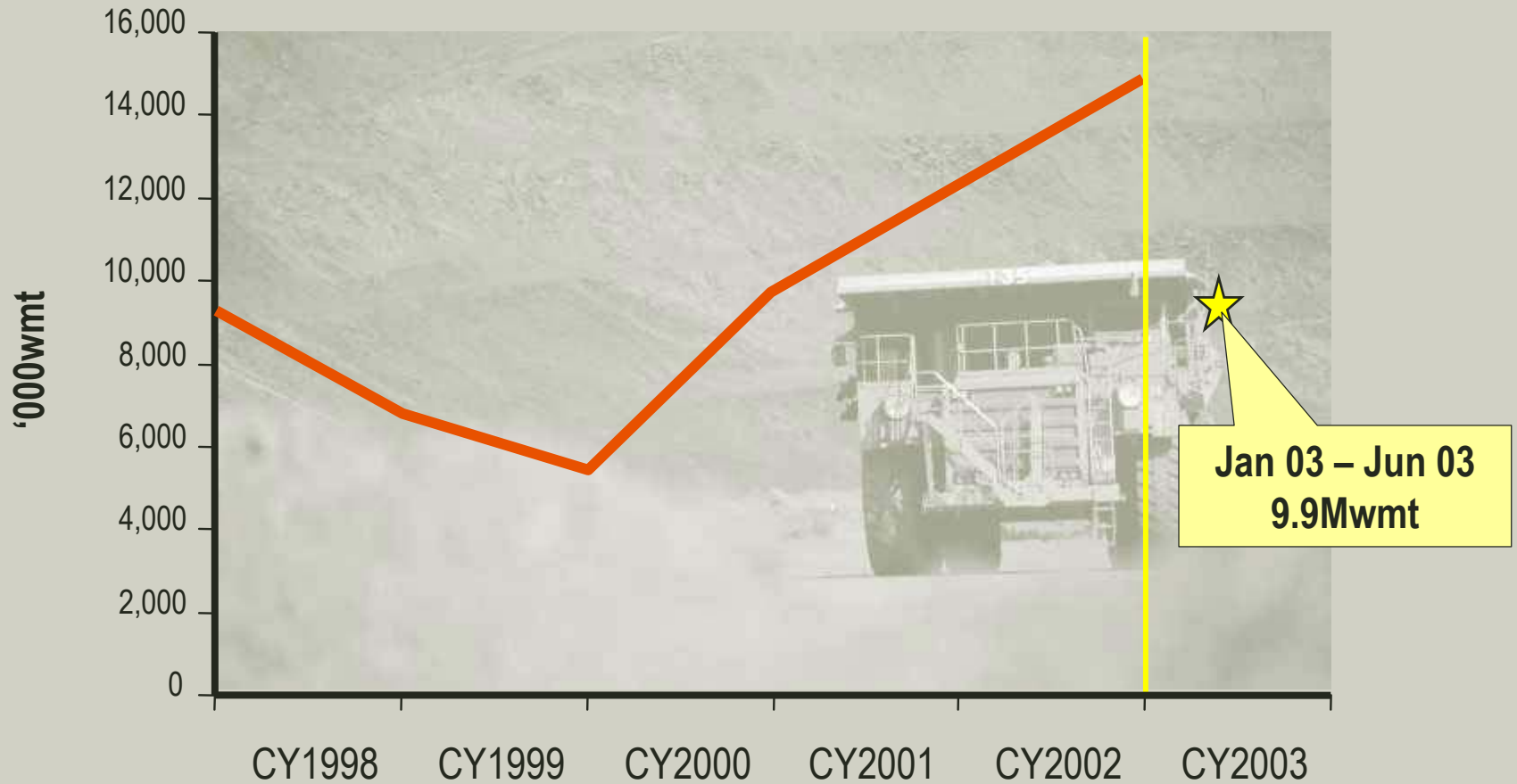


China growth

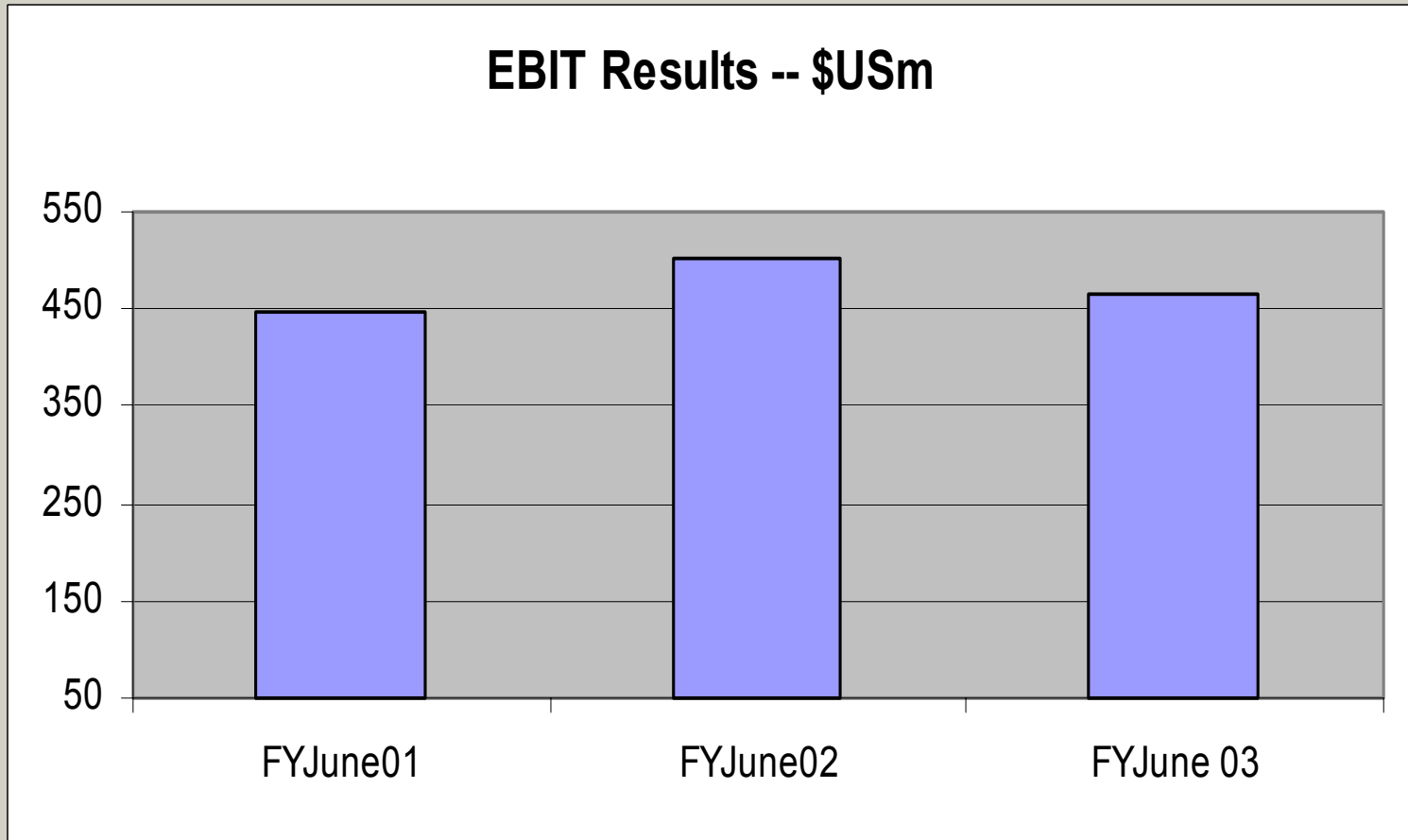
- BHP Billiton Iron Ore is in a unique position to take advantage of meteoric Chinese growth:
 - **Low cost, low risk expansion options**
 - Flexible supply
 - Diverse product range
 - World class resource base
 - Proximity to key markets



BHP Billiton Exports to China – Iron Ore

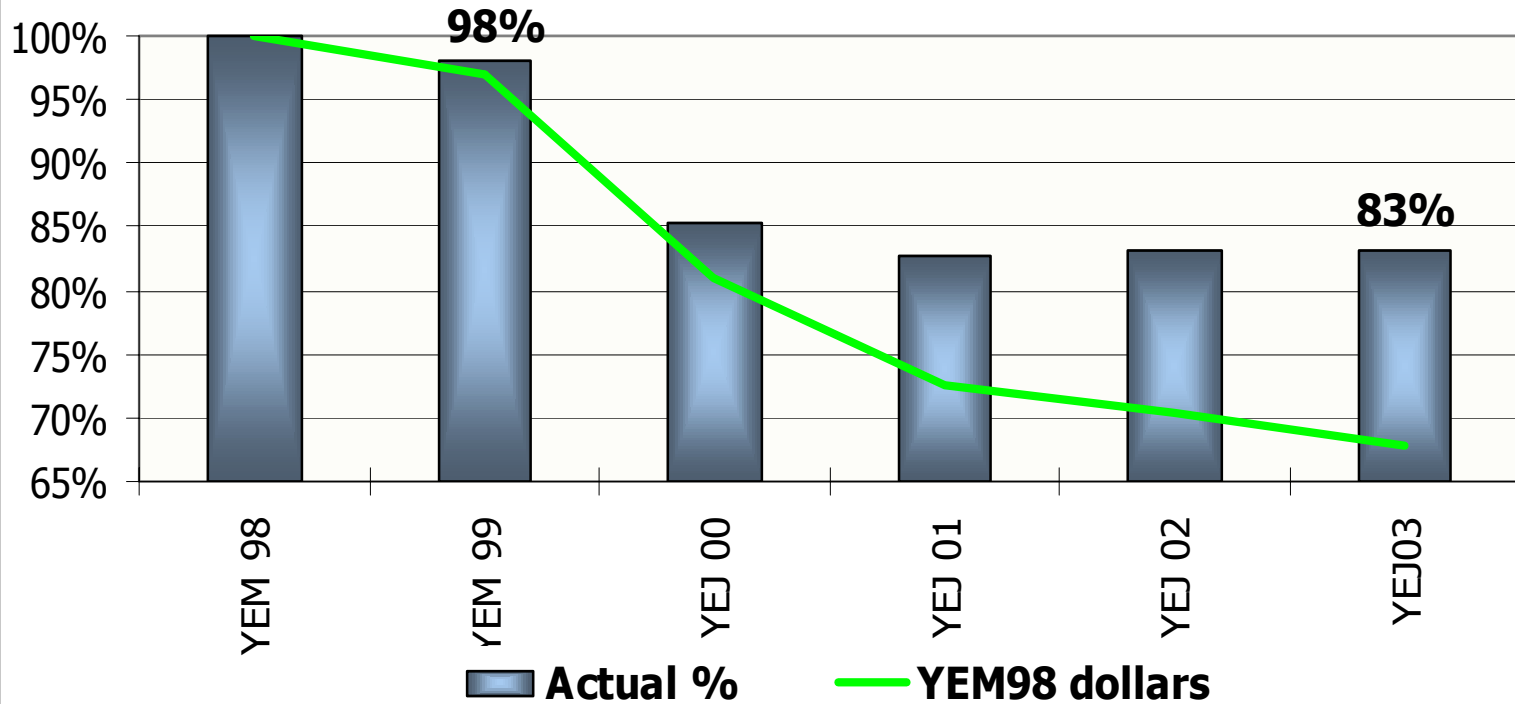


EBIT Results – YEJ03 = \$US464.1m



Cost per tonne shipped

YEJ03 Cash Cost per Wet Tonne Shipped as a Percentage of the YEM 98 Cash Cost



Delivering significant financial benefits

- Total projects completed YEJ03 = 32
- Full year EBIT impact YEJ03 = US\$15.2m

Embedding the Six Sigma Philosophy

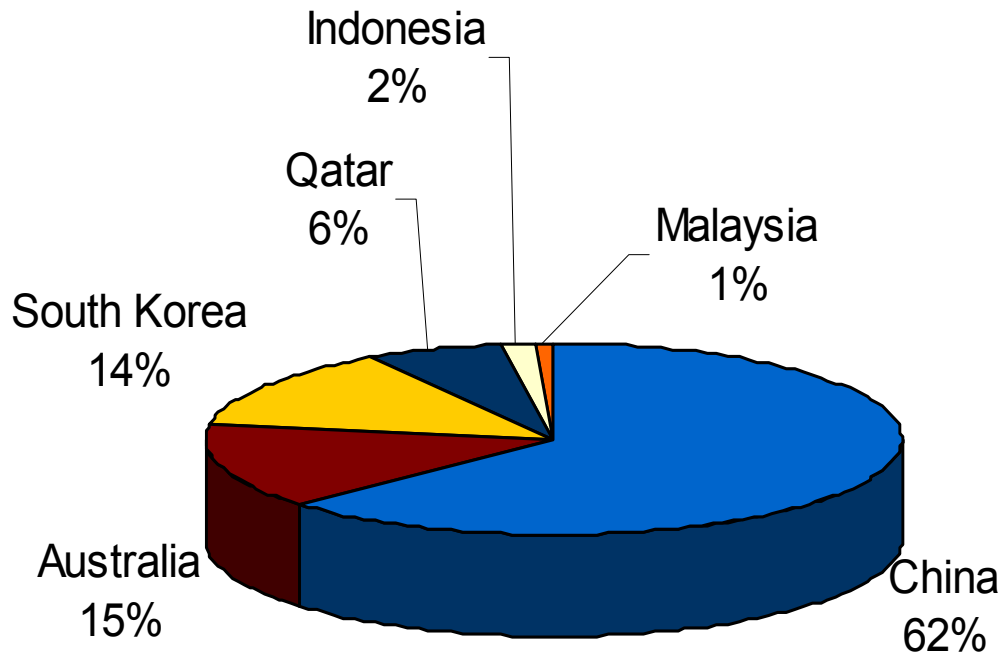
- Total OE coaches trained = 33
- Total OE coaches in training = 5
- Total Accredited OE coaches = 10
- Total active OE coaches = 18

Boodarietm Iron Plant



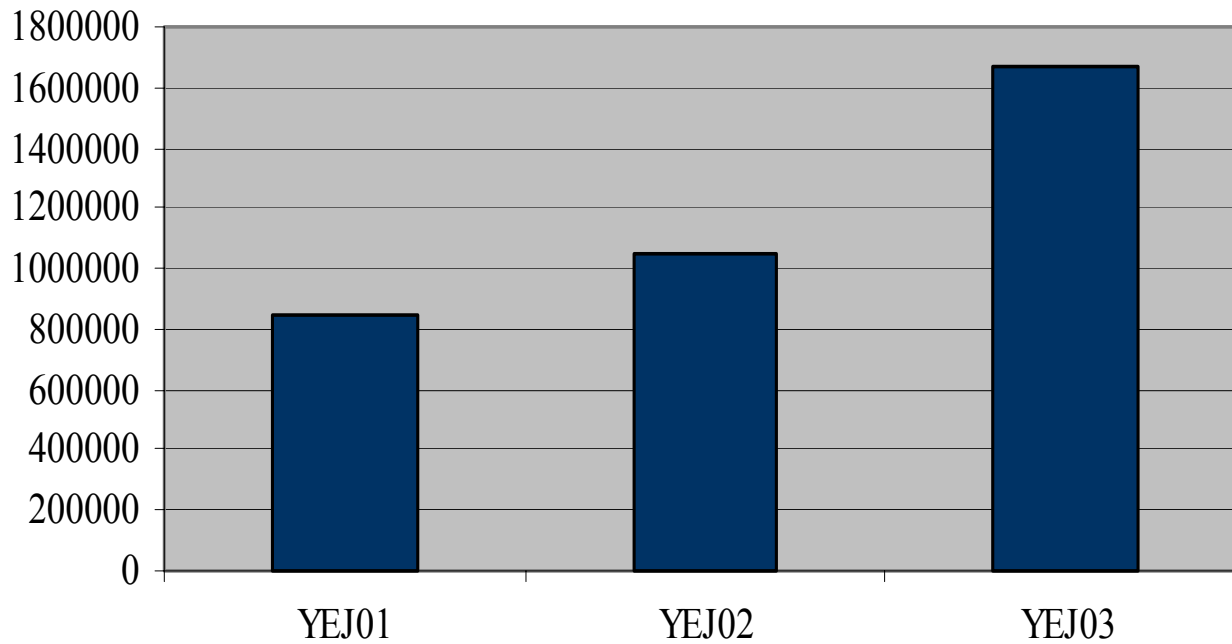
Boodarietm Iron Sales

Boodarie Iron Sales Per Customer Country Year Ending 2003

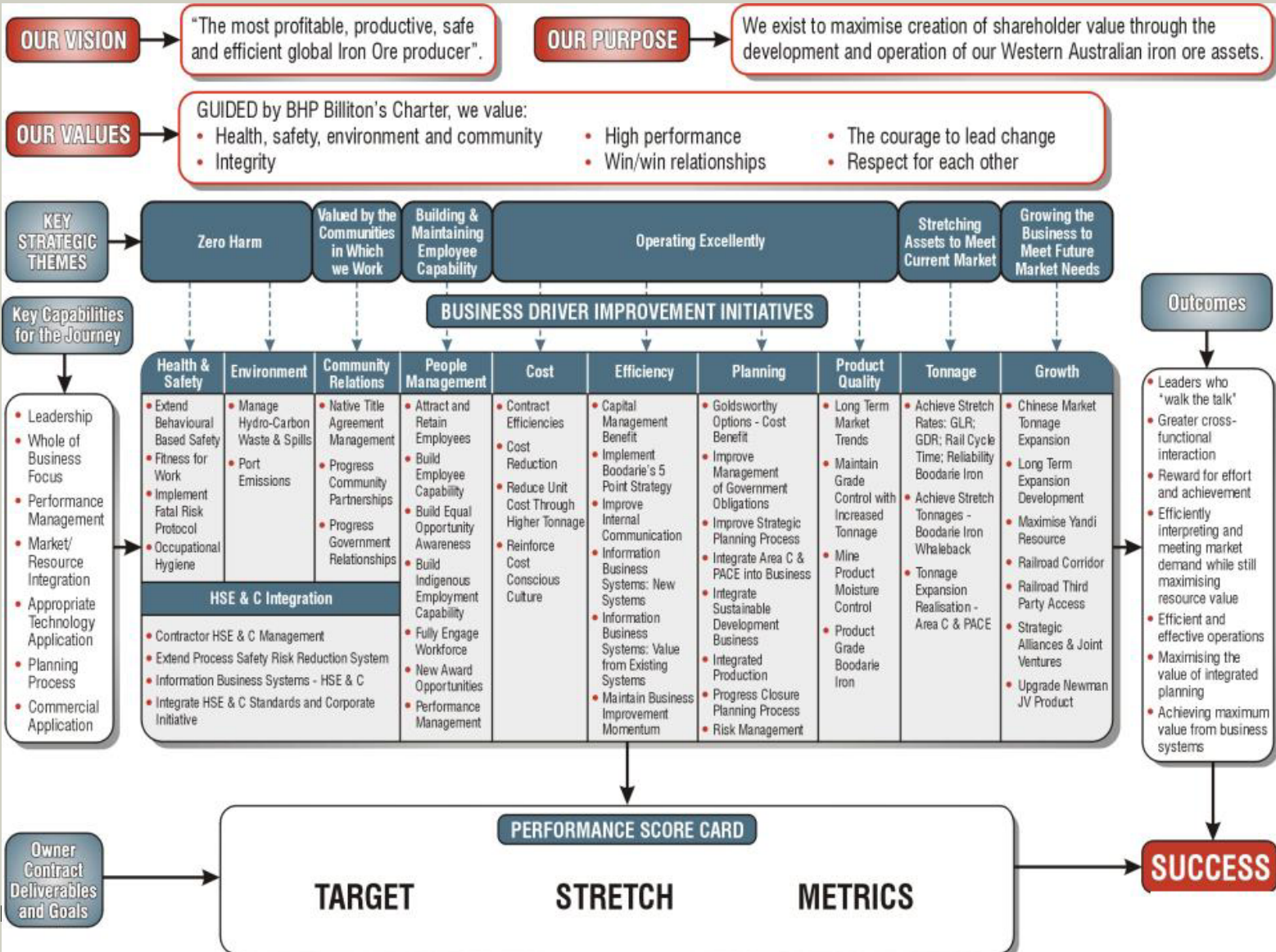


Boodarietm Iron Production

Boodarie Iron Production (tonnes)



2004 Roadmap



Summary

- Mining Area C and PACE projects are nearing completion
- First commercial shipment of MAC™ September 2003
- New Finucane Island berth and Western Stockyard will operate from late January 2004 for MAC™ and Yandi products
- BHPBIO capacity is expanding to 100Mt/a
- Goldsworthy Operations extended to 2006 with a review in progress on potential to extend life to ~2010
- All operations are in a good state of development
- Further stages of expansion are being studied to satisfy committed customer demand and will be advised once approved

Conclusion

BHP Billiton Iron Ore product range is expanding and Port capacity increasing to meet future customer needs

Newman Premium hematite lump and fines with high Fe & excellent metallurgical properties

Yandi Coarse, low alumina & phosphorous sintering fines and moderate strength lump

MAC™ Low silica+alumina hematite-goethite lump and fines with high calcined Fe

Goldsworthy Low alumina hematite lump and fines

Boodarie™ Iron High purity Iron Briquettes with high strength and low residuals

Port Capacity Increasing to 100Mwt by mid 2004