The largest company in a consolidating sector

Market value of minerals industry: US$306 bn
Value of Top Five: US$141 bn
Value of BHP Billiton: US$ 42 bn

Source: Datastream
BHP Billiton – a small to medium player in a huge energy industry

Market Capitalization of the Top 50 Energy Companies (PFC Energy 50)
March 2003 (US$ Billion)

Source: The Petroleum Finance Company
A global footprint

- Petroleum
- Aluminium
- Base Metals
- Carbon Steel Materials
- Diamonds & Spec Prod
- Energy Coal
- Stainless Steel Materials
## Petroleum – A Key Value Driver For BHP Billiton

### Value Drivers

<table>
<thead>
<tr>
<th>(1)</th>
<th>(2)</th>
<th>(3)</th>
<th>(4)</th>
<th>(5)</th>
<th>(6)</th>
<th>(7)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Outstanding Assets</td>
<td>Inventory of Projects</td>
<td>Customer-centric Marketing</td>
<td>Portfolio Effect</td>
<td><strong>Petroleum</strong></td>
<td>Innovation</td>
<td>Employees</td>
</tr>
</tbody>
</table>

**Petroleum:**

<table>
<thead>
<tr>
<th>Outstanding Assets</th>
<th>Innovation</th>
<th>Customer-centric Marketing</th>
<th>Inventory of Projects</th>
<th>Portfolio</th>
</tr>
</thead>
<tbody>
<tr>
<td>Bass Strait</td>
<td>GoM Deepwater</td>
<td>LNG</td>
<td>Mad Dog/Atlantis</td>
<td>Geographical spread</td>
</tr>
<tr>
<td>North West Shelf</td>
<td>Contract Creativity</td>
<td>LPG</td>
<td>Angostura</td>
<td>Portfolio spread</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Domestic Gas</td>
<td>Zamzama</td>
<td>Portfolio spread</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Oil/Condensate</td>
<td>Ohanet/ROD</td>
<td></td>
</tr>
</tbody>
</table>

**Efficiency:**

- Top quartile Net Income/boe
- Top quartile Return on Capital
- Second quartile Finding Costs
- Second quartile Finding & Development Costs
<table>
<thead>
<tr>
<th>Attribute</th>
<th>Value</th>
</tr>
</thead>
<tbody>
<tr>
<td>Attributable production</td>
<td>333,000 boe/day</td>
</tr>
<tr>
<td>(Crude oil and condensate, natural gas, LPG, Ethane)</td>
<td></td>
</tr>
<tr>
<td>Turnover</td>
<td>$3,264 million</td>
</tr>
<tr>
<td>EBITDA</td>
<td>$1,727 million</td>
</tr>
<tr>
<td>EBIT</td>
<td>$1,178 million</td>
</tr>
<tr>
<td>Net operating assets</td>
<td>$3,293 million</td>
</tr>
<tr>
<td>CapEx</td>
<td>$909 million</td>
</tr>
</tbody>
</table>
Petroleum Growth Strategies Overview

High Margin Oil Exploration & Production
- High-margin returns but greater subsurface & technological risk
- Price upside

Discovered Resources
- Positioning in resource-rich countries
- Low risk resources but higher political risk

Global Portfolio

Cash Generation
- Maximize returns
- Limited growth or capability contribution

Gas Commercialization
- High-growth
- Environmentally and greenhouse friendly
Gas Commercialization Overview

- North West Shelf
  - Train 4 progress
  - China SPA & Equity Agreements
- Other LNG
  - Korea potential
  - Taiwan potential
- Pakistan – Zamzama
- Eastern Gas
  - Bass Strait
  - Minerva
Discovered Resources Overview

- North Africa
  - Algeria: Ohanet wet gas development
  - Algeria: ROD oil fields

- Middle East
  - Evaluation of opportunities
High Margin Oil Exploration and Production Overview

- Gulf of Mexico
- Trinidad
- Australia, Africa, Brazil
- Other opportunities
  - access, position long term
  - deepwater and others
Exploration: Focus in Play Fairways

- Deep Shelf Gas
- Atwater Fold Belt (AFB)
- Eastern AFB Gas
- Perdido Foldbelt
- Walker Ridge
- Green Canyon
- Mini Basin
- Mississippi Canyon
- breton Sound
BHP Billiton in the Gulf of Mexico

West Cameron

Ewing Bank

Mississippi Canyon

GC 18

Ewing Bank

Green Canyon

Walker Ridge

Cascade

Typhoon

Boris

Genesis

Neptune

Atlantis

Mad Dog

Eastern Atwater Foldbelt

Atwater

Genesis

GC 18/60

West Cameron

Typhoon - Boris

Boris

GC 18

0 50km

USA
Deepwater production systems
Progression 1989 - 2003

Platform
- Bullwinkle 1353 ft - 1991
- Baldpate 1700 ft
- Petronius *
- 1750 ft - 1998

Compliant Tower
- Matterhorn 2850 ft
- Allegheny *
- 3300 ft - 1999

Mini-TLP
- Typhoon 2100 ft - 2001

FPS
- P-40 *
- 3353 ft - 2001
- Thunder Horse 6050 ft
- Atlantis *
- 7040 ft - 2006

SPAR
- Genesis 2600 ft
- Mad Dog 4500 ft - 2004
- Diana
- 4800 ft
- Devil's Tower *
- 5610 ft - 2003

TLP
- Jolliet 1750 ft
- Mars 3000 ft

SUBSEA
- Ursa 3900 ft - 1999
- Marlin
- 3250 ft
- Magnolia *
- 4700 ft - 2004

FPSO
- Boris 2200 ft - 2003
- Mars Subsea 3000 ft
- Mensa
- 5300 ft - 1997
- Canyon Express (gas)*
- 7209 ft - 2002
- King (oil)*
- 5334 ft - 2002

Water Depth (ft)
- 0
- 1000
- 2000
- 3000 (~1000 m)
- 4000
- 5000
- 6000 (~2000 m)
- 7000
- 8000
- 9000 (~3000 m)

* Record Holder

Source: Offshore Magazine 2003
Capability Development

- People
- Technology
- Funding
What's ahead
Gulf of Mexico Production by Company

12 month average to 9/01

BOE per day

Deepwater >1,500’
Shallow < 1,500’

Mad Dog & Atlantis

BHP Billiton (current)
Conclusion

• Petroleum is a value driver for BHP Billiton
• Petroleum is a differentiating factor for BHP Billiton
• BHP Billiton Petroleum is a well established oil and gas business with:
  – solid performance
  – strong producing assets
  – value adding growth opportunities
  – consistent strategic direction.
• We’re delivering on our four-part strategy for growth