BHP Billiton Coal CSG Analyst visit Queensland & NSW

Dave Murray
President – Coal CSG
Important notices

Reliance on third party information

The views expressed here contain information that have 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 presentation should not be relied upon as a recommendation or forecast by BHP Billiton.

Forward looking statements

This presentation includes forward-looking statements within the meaning of the U.S. Securities Litigation Reform Act of 1995 regarding future events and the future financial performance of BHP Billiton. 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 presentation. For more detail on those risks, you should refer to the sections of our annual report on Form 20-F for the year ended 30 June 2007 entitled “Risk factors”, “Forward looking statements” and “Operating and financial review and prospects” filed with the U.S. Securities and Exchange Commission.

No offer of securities

Nothing in this release should be construed as either an offer to sell or a solicitation of an offer to buy or sell BHP Billiton securities in any jurisdiction.

Ore Reserves and Mineral Resources

The information in this presentation that relates to Ore Reserves and Mineral Resources is as at 30 June 2006 and is based on information prepared by the relevant Competent Persons. The Competent Persons agree with the form and context of the Mineral Resources and Ore Reserves presented. The complete tables of Ore Reserves and Mineral Resources as at 30 June 2006 (including the relevant Competent Persons) for Stainless Steel Materials are presented in the BHP Billiton Annual Report 2006 on pages 74 and 75.
Day 4: Blackwater, travel to Mackay

Wed 31 Oct

<table>
<thead>
<tr>
<th>Time</th>
<th>Event</th>
<th>Presenter(s)</th>
</tr>
</thead>
<tbody>
<tr>
<td>07:30</td>
<td>Bus departs Maraboon Motor Inn, Emerald (induction and PPE on bus)</td>
<td></td>
</tr>
<tr>
<td>09:00</td>
<td>Introduction</td>
<td>Dave Murray</td>
</tr>
<tr>
<td>09:15</td>
<td>Met Coal Market</td>
<td>David John</td>
</tr>
<tr>
<td>10:00</td>
<td>Met Coal Strategy &amp; Growth</td>
<td>Neil Scott</td>
</tr>
<tr>
<td>10:20</td>
<td>Break – morning tea served</td>
<td></td>
</tr>
<tr>
<td>10:40</td>
<td>Illawarra Operations</td>
<td>Col Bloomfield</td>
</tr>
<tr>
<td>11:00</td>
<td>Maruwai Project</td>
<td>Ken Crichton</td>
</tr>
<tr>
<td>11:20</td>
<td>BMA</td>
<td>John Smith</td>
</tr>
<tr>
<td>12:20</td>
<td>BBQ lunch served</td>
<td></td>
</tr>
<tr>
<td>12:50</td>
<td>Blackwater</td>
<td>Mark Chambers</td>
</tr>
<tr>
<td>13:20</td>
<td>Site tour: Blackwater mine - mining and new CHPP area</td>
<td></td>
</tr>
<tr>
<td>14:45</td>
<td>Buses depart Blackwater Mine for Emerald Airport</td>
<td></td>
</tr>
<tr>
<td>15:45</td>
<td>Charter flight Emerald to Mackay</td>
<td></td>
</tr>
<tr>
<td>17:00</td>
<td>Arrive Mackay</td>
<td></td>
</tr>
<tr>
<td>19:00</td>
<td>Dinner at George's Thai on the Marina</td>
<td></td>
</tr>
</tbody>
</table>

Overnight Clarion Hotel, Mackay
Dominant player in the seaborne market

Top 3 suppliers = 57% HCC market share, top 6 suppliers (75%) are major miners (excluding USA)

CY 2006 Seaborne Met Coal Supply
(Estimates)

Source: BHP Billiton analysis; BHPB share 100% equity terms
Leading position in two major exporting basins – a third to follow

Maruwai Project

BHP Billiton Mitsubishi Alliance and BHP Billiton Mitsui JV

Illawarra Coal
Our Met Coal business

BHP Billiton Mitsubishi Alliance
(50% BHP Billiton, 50% Mitsubishi Development P/L)

Operations

Peak Downs
Norwich Park
Goonyella Riverside
Blackwater
Gregory/ Crinum
Saraji
Broadmeadow
Hay Point

Illawarra Coal
(100% BHP Billiton)

Maruwaing
(100% BHP Billiton)

BHP Billiton Mitsui Coal P/L
(80% BHP Billiton, 20% Mitsui & Co)

Operations

South Walker Creek, Poitrel

Marketing

Singapore
Brisbane
The Hague
Tokyo
Shanghai
Seoul
New Delhi
Rio de Janeiro
Grown market share in both hard coking and met coal

Hard coking coal market share (LHS)

Source: BHP Billiton
The leading portfolio of growth options

Proposed capex as at Nov 2007

- <$0.5B
- $0.5–1B
- >$1B

Australia

Brownfield

Greenfield

Source: BHP Billiton
BHP Billiton’s value proposition in the met coal market

David John
VP Met Coal Marketing
How is the Met coal industry structured?

The continuing importance of blast furnaces & HCC in steel making

There’s a new order in the demand side

Supply constraints and BHP Billiton’s ability to deliver
How is the Met coal industry structured?

The continuing importance of blast furnaces & HCC in steel making

There’s a new order in the demand side

Supply constraints and BHP Billiton’s ability to deliver
Dominant player in the seaborne market

Seaborne hard coking coal is a relatively consolidated market:
Top 3 suppliers = 57% HCC market share, top 6 suppliers (75%) are major miners (excluding USA)

CY 2006 Seaborne Met Coal Supply
(Estimates)

Source: BHP Billiton analysis; BHPB share 100% equity terms
Global coverage

For FY07 (BHP Billiton/BMA/BMC)

- Ships loaded: 783
- Customers: 78
- Countries: 28
- Ports: 4
- Own Port: 1
How is the Met Coal industry structured?

The continuing importance of Blast Furnaces & HCC in steel making

There’s a new order in the demand side

Supply constraints and BHP Billiton’s ability to deliver
BF/BOF has grown share, EAF requires high quality/low cost scrap and reliable/low cost electricity

Global steel production by Blast Furnace/BOF & Electric Arc Furnace

Source: CRU
Blast furnace productivity is the key driver

- Proven technology
  - Low risk
- Capex/Opex
  - Alternative technologies not offering breakthrough
- Size and flexibility
  - Ability to produce large volumes of hot metal
  - Accept range of coal & iron ore quality
- Ongoing performance improvement
  - Enlargement of Blast Furnaces

Source: CRU; BHP Billiton analysis
High quality coking coal is valued for its hot metal productivity

Coke is essential in the blast furnace

- High Quality HCC produces coke that will:
  - Increase hot metal productivity, and/or
  - Reduce cost by allowing lower quality/lower cost coals to be added to the blend

Role of coke in the blast furnace

| Strength                  | • Support the iron ore burden
|                          | • Premium coke >60 CSR *
| Heat                     | • Provide heat to drive reduction of the iron ore
| Carbon                   | • Provide carbon for reduction of iron ore
|                          | • Premium for low-mid volatile (18-26%)
| Ash                      | • Coke chemistry a key driver hot metal productivity
|                          | • Premium for low ash (<10%) and low ‘basicity’

Source: CRU; BHP Billiton analysis
CSR – Coke Strength after Reaction
Our high quality hard coking coals improve blast furnace productivity

Case study

- Impact of replacement of 15% Chinese HQHCC by BHPB HQHCC in the blend
- Significant increase in hot metal productivity

![Bar chart showing coke strength after reaction for Chinese Base Blend, Goonyella, and Peak Downs.](chart.png)
How is the Met Coal industry structured?

The continuing importance of blast furnaces & HCC in steel making

There’s a new order in the demand side

Supply constraints and BHP Billiton’s ability to deliver
Demand growth in India, Brazil and China

Europe
- Stable customer base, with low growth
- Increasing seaborne imports due to domestic coal production decline (Germany, Poland)

Asia
- Japan, South Korea, Taiwan very stable, with moderate growth
- S.E. Asia growth in Thailand, Malaysia, Indonesia

South America
- Stable customer base, solid growth
- New builds underway (CSA) and expected (CST to complete)

India
- Very strong growth in import demand
- Growth from existing (eg. SAIL, Vizag, JSW Group) and emerging customers
- Urbanisation and industrialisation gaining momentum

China
- Significant domestic production/reserves
- Emerging import opportunity for large blast furnace, coastal steel mills

Source: AME, BHP Billiton analysis
Global Met Coal seaborne demand

Source: “AME Outlook report for Export Met Coal – 08 2007”
India, Brazil and China are the key growth markets

Metallurgical Coal imports 2002 to 2012 – India/Brazil/China

Actual

Forecast

Source: “AME Outlook report for Export Met Coal – 08 2007”
Urbanisation driving Indian steel consumption

- Rapid urbanisation and industrialisation underway
- 33 Tier 1 & 2 cities in 2003 to 73 by 2025

**Snapshot of Tier 1 & 2 cities**

**2003**

**2025**

Source: WEFA-WMM (Global Insight)
Tier 1 city defined as registered population >4.5 m and GDP/capita >US$3,000
Tier 2 city defined as either registered population >4.5 m or GDP/capita >US$3,000,
Tier 3 city defined as registered population 1.5-4.5 m and GDP/capita US$1,500-US$3,000
India companies choosing the blast furnaces route

Case study: Jindal South West Steel, Karnataka

- Existing – Blast furnace and Corex (non-coking coal)
- Expansion program to 10 Mtpa steel:
  - Commissioned BF No. 2 – 1.3 Mtpa steel
  - Building BF No. 3 (pictured) – 2.7 Mtpa steel
  - Seeking approvals for BF No. 4 – 3.2 Mtpa steel
India has emerged as the second largest customer for BHP Billiton

Indian coking coal imports

BHP Billiton metallurgical coal sales

Note: BHP Billiton sales are 100% equity terms, Australian FY; * Includes Corex Coal and PCI
Brazil new projects are being built

CST – Blast furnace # 3
3.0 Mt pig iron - July 2007

SOL (at CST site) - Coke Oven
1.6 Mt coke – June 2007

Gerdau Acominas – Blast furnace # 2
1.5 Mt pig iron – Dec 2007

CSA - Integrated Steel Plant
4.75 Mt pig iron – Q1 2009
Chinese domestic production growth rate showing signs of slowing for the premium quality coking coal

Note: JM and FM are broadly equivalent to ‘High Quality Hard Coking Coal’
Source: Chinese Ministry of Coal
Chinese met coal is deep, structurally complex and gassy which is limiting production growth rate

- Deep - No open cut met coal operations in China
- Structural complexity - limiting output rates
- Gassy - methane make >30 cubic metres/tonne
  - Bowen Basin typically 3 - 9 cubic metres/tonne

**Stratigraphy**

- Liulin Coalfield, Shanxi - 11 seams, 2 main seams, total thickness 20m in 150m sequence
- Goonyella - 3 main seams, total thickness 20m in 250m sequence
How is the Met Coal industry structured?

The continuing importance of blast furnaces & HCC in steel making

There’s a new order in the demand side

Supply constraints and BHP Billiton’s ability to deliver
Global seaborne hard coking coal supply dominated by Australia (62%), Canada and USA.

Growth will come from Australia and new basins in challenging regions:

- **Australia / BC**
  - Logistics high cost
  - Limited long term

- **Appalachia**
  - Mature terrain
  - “Swing” supplier with high price
  - Long term decline

- **Bowen Basin**
  - Ongoing infrastructure constraints

- **Tavan Tolgoi**
  - Hard coking coal
  - Chinese market

- **Elga**
  - High cost operating environment
  - High component energy coal

- **Kuzbass**
  - Dominates industry growth pipeline

- **Poland, Germany, Ukraine, Kazakhstan**

- **Brown Basin**
  - High component energy coal

- **Moatize (CVRD)**
  - First coal 2010
  - Mid Volatile coking coal
  - High component energy coal

- **Elga**
  - High cost operating environment
  - High component energy coal

- **Maruwaï**
  - BHP Billiton controlled
  - Stage 1 CY2008

Source: AME, BHP Billiton analysis
Ports constrain supply in Australia and Canada

**Australia**

DBCT
- Current expansion work is limiting throughput
- Whole of system perspective required to determine throughput

Abbot Point
- Planned expansion from 16 to 30 Mtpa by 2010*

**Canada**
- Additional semi-hard coking coal tonnage

---

BHP Billiton / BMA retains an option to expand Hay Point

Source: * Ports Corporation of Queensland
Summary

Industry Structure
- Global business with global coverage
- Consolidated supply

Blast Furnaces & hard coking coal in steel making
- Blast furnace productivity is driving market share growth
- HQHCC is valued for its productivity gains

A new order in the demand side
- Traditional European & Asia markets are stable
- Fundamental changes underway in India, Brazil & China

Supply Constraints
- Global seaborne HCC supplies dominated by Australia & Canada
- Port capacity is restricting supply growth
BHP Billiton perfectly placed to deliver outstanding value:

- Being the largest supplier, with the greatest ability to increase HQHCC sales
- In a global market where demand is growing
Compelling sustainable competitive advantages

Large
• Leading supplier in seaborne met coal market, major supplier in energy coal
• Multi-operation, multi-product, multi-geography

Long life
• Resource position will deliver > 50 years life in premium products

High margin
• Predominantly 1st/2nd quartile operations + premium quality products

Expansion options
• Growth options amongst the best in the sector

Operational Reliability
• Full range of coal quality; Mix of open cut and underground; Operate own port complex

Our Focus
1. Safely run all assets at full potential
2. Move existing resources to market
3. Create options for the future
A strong performer over time

- Sales volume increased by 9%
- Higher prices reflecting strong demand
- Business improvement initiatives
- Offset in part by increases in
  - Contractor stripping rates
  - Reconfiguring Illawarra mine plan
  - Consumables (diesel and explosives)
  - Royalties

Source: BHP Billiton
Coal operations well positioned on the cost curve

World Export Hard Coking Coal FOB Cash Cost Curve

Queensland Coal (BMA, BMC) average cost position

Illawarra Coal cost position
Managing costs in periods of high demand

Change in Unit Costs

<table>
<thead>
<tr>
<th>Year</th>
<th>Royalty</th>
<th>Costs</th>
</tr>
</thead>
<tbody>
<tr>
<td>FY04</td>
<td>-2</td>
<td>0</td>
</tr>
<tr>
<td>FY05</td>
<td>1</td>
<td>3</td>
</tr>
<tr>
<td>FY06</td>
<td>4</td>
<td>23</td>
</tr>
<tr>
<td>FY07</td>
<td>5</td>
<td>1</td>
</tr>
</tbody>
</table>

Change in A$ unit rate (%)
Dominant portfolio of high quality Hard Coking Coals

Source: BHP Billiton estimates; Qld government port statistics
* PCI – Pulverized Coal injection
BHP Billiton Met Coal has the largest reserve and resource position in the sector

Note: BHP Billiton figure includes 100% BMA, BMC, Illawarra, Maruwai
* Rio figure only Hail Creek
Source: BHP Billiton Annual Report; Company Annual Reports
The leading portfolio of growth options

Proposed capex as at Nov 2007

- $<0.5B
- $0.5–1B
- $1B

Australia

3rd Bulli LW

Endeavour Drift

Red Hill UG

SRX

9

3rd Bulli LW

Enendeavour Drift

Red Hill UG

SRX

9

Pre-Feasibility

Feasibility

Execution

BMA Incremental

HPX2

Poitrel

BW CHPP

Maruawai Stg 1 – Haju

HPX 3

PDX 8 Mtpa

Daunia

GRX 5 Mtpa

GRX 3 Mtpa

WCCHP Upgrade

Maruawai Stg 2 – Lampunut

PDX 8 Mtpa

Daunia

GRX 5 Mtpa

GRX 3 Mtpa

WCCHP Upgrade

BMA Incremental

HPX2

Poitrel

BW CHPP

Maruawai Stg 1 – Haju

HPX 3

PDX 8 Mtpa

Daunia

GRX 5 Mtpa

GRX 3 Mtpa

WCCHP Upgrade

Source: BHP Billiton
Coal CSG

Colin Bloomfield
President Illawarra Coal
Careful focus on catastrophic hazards

Injury rates 80% reduction - low for underground coal mines

Premier Iemma opened our WestVAMP facility

World’s first plant generating electricity from methane in mine ventilation air
Illawarra Coal Resources Exceed 1 Billion Tonnes

**Bulli Seam**
- Reserves: 53 Mt
- Resources: 631 Mt

**Wongawilli Seam**
- Reserves: 45 Mt
- Resources: 545 Mt
Illawarra Coal FY07 production and sales

- Raw Coal Production: 8.7 Mt
- Clean Coal Production: 6.9 Mt
- Hard Coking Coal: 6.3 Mt
- Energy Coal*: 0.7 Mt
- Domestic Sales: 3.6 Mt
- Export Sales: 2.7 Mt

* High ash thermal
Illawarra Coal production FY04-FY07

- Hard Coking Coal
- Energy Coal

<table>
<thead>
<tr>
<th>Year</th>
<th>Million Tonnes</th>
</tr>
</thead>
<tbody>
<tr>
<td>FY04</td>
<td>6</td>
</tr>
<tr>
<td>FY05</td>
<td>6</td>
</tr>
<tr>
<td>FY06</td>
<td>7</td>
</tr>
<tr>
<td>FY07</td>
<td>7</td>
</tr>
</tbody>
</table>
Significant re-investment cycle nearing completion

Major Projects Completed

Dendrobium Mine
- Longwalls
  - Appin
  - West Cliff

CPP Upgrades
- West Cliff
- Dendrobium

Mine Services
- Power
- Ventilation

Capital Expenditure (US$ per Tonne)

<table>
<thead>
<tr>
<th>FY00</th>
<th>FY01</th>
<th>FY02</th>
<th>FY03</th>
<th>FY04</th>
<th>FY05</th>
<th>FY06</th>
<th>FY07</th>
</tr>
</thead>
<tbody>
<tr>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
</tbody>
</table>

Normal sustaining range
Mine plans altered to improve sustainability

Original Layout

Revised Layout
Longwall block size drives costs

**Development Requirement**

- Development Metres
- Development tonnes as % of ROM tonnes

**Longwall Changeouts**

- FY02
- FY03
- FY04
- FY05
- FY06
- FY07
- FY08
- FY09
- FY10
- FY11
- FY12
Breakdown of cost increase FY04–FY07

EBITDA Cost per Sales Tonne

<table>
<thead>
<tr>
<th></th>
<th>FY04</th>
<th>FX</th>
<th>Price linked costs</th>
<th>Yield</th>
<th>Mining Costs</th>
<th>FY07</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>45.0</td>
<td>4.5</td>
<td>3.8</td>
<td>2.2</td>
<td>8.0</td>
<td>63.5</td>
</tr>
</tbody>
</table>

US$/t
How did Illawarra Coal perform in Q1FY08?

Record Quarterly Production of 2.2 Mt

- **Dendrobium**
  - Coal Preparation Plant
  - Raw processed - 1.1 Mt
  - Clean produced - 0.8 Mt

- **Appin**
  - 1.0 Mt

- **West Cliff**
  - Coal Preparation Plant
  - Raw processed - 1.5 Mt
  - Clean produced - 1.4 Mt

- **Port Kembla Coal Terminal**
  - 3.6 Mt (total)

- **Illawarra Region Customers**
- **Export Customers**
Illawarra Coal overview

- Large, long life hard coking coal resource
- Substantial investment made in establishing a sustainable mining plan
- Recapitalisation of the asset largely complete
- Reliable operating platform will deliver a lower cost profile
Coal CSG

Ken Crichton
Project Director Maruwai Project
Maruwai Project, Central Kalimantan, Indonesia - discovered by BHP Billiton in the 1990s

Full range of thermal, semi-soft, semi-hard and high quality hard coking coal resources identified
Committed to HSE&C best practice

*Tenure provides the basis for investment, our commitment to best practice health, safety, environment and community (HSE&C) ensures sustainable long term development*
Staged approach will allow us to build operational and HSEC capability

Stage 1 Maruwai: Haju Mine – first coal Q4 CY2008, 1 Mtpa building to 2 Mtpa, semi-soft coking coal
Barge/transshipment logistics are extensively utilized throughout Kalimantan

*During 2006 80-90 Mt of thermal coal was exported from Indonesia via barge and/or transhipment method*

Note: Not BHP Billiton operations. Photographs shown to illustrate typical transport logistics for Kalimantan and likely configuration for the Haju Mine/Maruwai operations
Our sustainability strategy is critical to long term viability of the Indonesian projects

Stage 1: Develop shared vision for the future

Stage 2: Evaluate conservation outcomes

Stage 3: Integration

Stage 4: Review
Building on our previous experience in Indonesia

Case Study: Successful Mine Closure at Petangis Mine, Kalimantan Indonesia