Media Tour to Nickel West

Leinster Nickel Operations (LNO)
Rob Cooper – General Manager LNO
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Disclaimer

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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.
Agenda – LNO Overview

• Safety contacts – group to reflect on recent safety learning
• Visitor safety
• Zero Harm - Health, Safety, Environment, Community & People
• LNO Business, Products and Operations
• LNO Strategy
• Project Development Pipeline
• Business Excellence
• Open Discussion
Visitor Safety

- Stay with and follow the instruction of your guide at all times
- Wear the appropriate PPE as directed by your guide
- Carry your swipe card with you at all times
- Take care on uneven ground and stairs
- Emergency – telephone “45”, radio channel “1”
Our approach to Zero Harm

Safety & health of our people is our core value

Safety excellence is good business

Commitment to environmental responsibility

Employees, contractors, suppliers, customers, host communities share responsibility
LNO Performance - Zero Harm

Total Recordable Injury Rate (TRIFR)

- Field Leadership / Hazard Reporting & Closeout
- BHP Billiton HSEC Management Standards & ISO 14001
- Fatal Risk Control Protocols
- Process Safety Risk Management
Nickel West flowchart

- Mt Keith Operation
  - Mt Keith concentrator
    - Nickel-in-concentrate: 35 - 40 ktpa
  - Leinster Nickel Operation
    - Leinster concentrator
    - Nickel-in-concentrate: 35 - 40 ktpa
  - Third Party Mines
    - Kambalda concentrator
    - Nickel-in-concentrate: 35 - 40 ktpa

- Ravensthorpe Nickel
  - Mixed Hydroxide Product: up to 50 ktpa

- Kalgoorlie Nickel Smelter
  - Nickel-in-matte: 100 - 110 ktpa

- Kwinana Nickel Refinery
  - Nickel-in-metal sales: ~65 ktpa
  - Matte sales: 35 - 45 ktpa
  - Speciality products

- Yabulu Refinery
**LNO Operations**

**Mines**
- Perseverance underground
- Cliffs
- Rocky’s Reward Cutback #1

**Third Party Feed**
- Waterloo

**Concentrator**
- 2.85 Mtpa
- SAG and Ball combination
- Flash Dryer: LNO & MKO concentrate

**Infrastructure**
- Access to power & water

**Town**
- Residential and FIFO

**State Agreement**

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[Map of Western Australia showing various locations related to LNO Operations]
LNO – Four Point Strategy

- Zero Harm
- Retention, Development and Recruitment of talented people
- Deliver to plan at Perseverance Underground, Rocky’s Reward
- Successfully develop projects in pipeline (incl TPP)
## LNO – Three Horizon Plan

<table>
<thead>
<tr>
<th>Business Foundations &amp; Excellence</th>
<th>Maximise Existing Assets</th>
<th>Securing the future and growth</th>
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<tbody>
<tr>
<td>Shorter term; Operational; Tactical</td>
<td>Medium term; Defined Projects; Systems</td>
<td>Longer term; Aspiration;</td>
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<td>Field Leadership</td>
<td>FRCP / HSEC Compliance</td>
<td>Leadership</td>
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<td>Greenhouse gas emissions</td>
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<td>Health and Hygiene</td>
<td><strong>Zero Harm</strong></td>
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<td>ISO 14001 Implementation</td>
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<td>Management of Change</td>
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<td><strong>PEOPLE</strong></td>
<td><strong>Valuing diversity</strong></td>
<td><strong>Talented and motivated people</strong></td>
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<td>Retention and Recruitment</td>
<td>Learning &amp; dev. framework</td>
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<td>Succession planning &amp; talent management</td>
<td>Mission directed work teams</td>
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<td>Training and development (Supervisors)</td>
<td><strong>Talented and motivated people</strong></td>
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<td>Recognition and Reward</td>
<td>Contractor strategy</td>
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<td><strong>BUSINESS EXCELLENCE</strong></td>
<td><strong>Six sigma Asset reliability &amp; utilisation</strong></td>
<td><strong>Sustaining, continuous business excellence</strong></td>
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<td><strong>VALUE ADD</strong></td>
<td><strong>Perseverance Deeps Project</strong></td>
<td><strong>Exploration success</strong></td>
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<td>Improve capital discipline &amp; delivery</td>
<td>Near Mine Extensions (Progress II)</td>
<td><strong>Project delivery</strong></td>
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<td>Rocky’s Reward Cutback #2</td>
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<td>Cliffs</td>
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<td>Third Party feed</td>
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<td><strong>SHAREHOLDER VALUE and CUSTOMER</strong></td>
<td><strong>Maximise ESVA</strong></td>
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<td>Deliver to Plan</td>
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Leinster Project Development Pipeline

**BROWNFIELD**
- Rocky’s Reward Cutback 1
- Rocky’s Reward Cutback 2
- Leinster Perseverance Deeps

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<th>CY2007</th>
<th>2008</th>
<th>2009</th>
<th>2010</th>
<th>2011</th>
<th>2014</th>
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**GREENFIELD**
- Cliffs

Size of bubble indicates relative size of proposed capital expenditure (not to scale). Bold outer border signifies sanctioned project.
Asset Life Extension Opportunities – Leinster

Perseverance Deeps
- Mineral resource of 12 Mt @ 2.2% Ni
- Feasibility study commenced in 2007
- Block Caving mining method
- Potential to extend Leinster operations to ~2020

Rocky’s Reward Cutback #2
- Mineral resource of 6.4 Mt @ 1.4% Ni
- Cut back 2 feasibility study

Progress 2
- Near mine extension to Perseverance Mine
“Go for Green” initiative in place, focus on
- Zero Harm
- Volume
- Costs

Case Study
- Implemented extra stage of cleaning in fines flotation circuit to increase nickel recovery.
- Project increased concentrator nickel recovery by 1.31% resulting in additional A$8.43M EBIT for FY07 and A$21.67M in FY08 (projected).
Leinster Store

Before

After improvement

PPE Storage

Access Step
LNO Summary

- Zero Harm is our core value
- We operate a world class asset
- We are investing in exploration
- We are building and retaining a talented workforce
- We are applying Business Excellence to our operations
- We focus on margin maximisation
Open discussion