BHP Billiton is the World’s Largest Diversified Resources Company

Petroleum ranks about 20th among largest international oil & gas companies
## Strong Petroleum Financial Performance: More Expected

<table>
<thead>
<tr>
<th>Year ended June</th>
<th>2007</th>
<th>2006</th>
</tr>
</thead>
<tbody>
<tr>
<td>Production (1) (mmboe)</td>
<td>116.0</td>
<td>115.6</td>
</tr>
<tr>
<td>Revenue ex third party products (US$m)</td>
<td>4,964</td>
<td>4,804</td>
</tr>
<tr>
<td>Underlying EBIT (US$m)</td>
<td>3,014</td>
<td>2,968</td>
</tr>
<tr>
<td>EBIT margin (2) (%)</td>
<td>60.6</td>
<td>61.7</td>
</tr>
<tr>
<td>Exploration (US$m)</td>
<td>395</td>
<td>447</td>
</tr>
<tr>
<td>Capital expenditure (US$m)</td>
<td>1,687</td>
<td>1,124</td>
</tr>
<tr>
<td>Reserve Replacement Ratio (%)</td>
<td>103</td>
<td>62</td>
</tr>
</tbody>
</table>

1. Production from continuing operations.
2. EBIT margin excludes revenue and EBIT from third party trading activities.
A Year of BIG Moves

• Maximize the current Base Assets
  – Record performance in safety & natural gas production
  – Oil growth is in progress

• Execute Major Capital Investment Commitments
  – Critical year with excellent results

• Capture New Opportunities
  – Significant new acquisition & exploration value captured

• Build a World Class Workforce
  – Significant capability gains
FY07 Production: Delivering the Base

• Record Safety Performance
• Production flat with FY06, despite no new fields starting up
• Program drilling and other opportunities offset expected 5-8% production decline
• Facility uptime averaged 92%
• All 9 Production Units performing to expectations
• Workforce preparing to operate large, complicated new projects
FY07 Safety Results: Goal is Zero Harm

- Good safety & good business go hand in hand
- Improvement achieved despite unprecedented peak in activity
- No significant environmental events
- Zero fatalities at controlled sites

**Graphs:**
- **Total Recordable Incident Rate per 1 MM man/hour**
  - FY06: 4.73
  - FY07: 2.37

- **Lost Time Incidents**
  - FY06: 20
  - FY07: 6
Development: Executing the Projects

FY07 Results

• $1.7 billion capex invested
  – Year on year increase

• 5 major projects expected to advance to start up in the next 6 months
  – Zamzama – Pakistan
  – Neptune – Gulf of Mexico
  – Genghis Khan – Gulf of Mexico
  – Stybarrow – offshore Western Australia
  – Atlantis – Gulf of Mexico

• Significant progress
  – Shenzi – Gulf of Mexico
  – NWS Train 5 – offshore Western Australia
  – NWS Angel – offshore Western Australia
  – Pyrenees – offshore Western Australia

New FY08 Projects in the queue

– Angostura Gas – Trinidad
– Macedon – offshore Western Australia
– Kipper – Bass Straits
– North Rankin B – offshore Western Australia
Zamzama - Pakistan

- 4th largest natural gas field in Pakistan
- Operations include onshore gas processing plant
- Operated by BHP Billiton (38.5%)
- Phase II expansion online by 3Q 2007
- Phase I & II capacity: ~450 million cubic ft/day (100%)
- Completed on time and on budget
- Capex Phase II = $46 million (net)
Neptune - Gulf of Mexico

- Deepwater oil operated by BHP Billiton, 35%
- Reserves 100-150 mmboe (100%)
- Production 50K bpd oil, 50 MM cubic feet gas per day (100%)
- Installation complete, commissioning underway
- First production expected by end of calendar year
- Drilling will continue after start up
- Costs recently updated to $405 million (net)
Genghis Khan – Gulf of Mexico

- Completed the US$1.33-billion (100%) transaction Feb 2007 – *1st Petroleum acquisition in more than 10 years*
  - BHP Billiton 44%
  - Reserves 65-170 MM boe (100%)
  - Production capacity 55K bpd (100%) at full development
  - Hook-up & commissioning of subsea infrastructure underway
  - Production from 1st well expected later this calendar year
  - Drilling to continue & integrate with Shenzi project
  - Capex = $365 million (net)
• Offshore oil operated by BHP Billiton
• 50% interest
• FPSO - 80K bpd (100%)
• Commissioning near complete
• First production expected early 2008
• Drilling will continue after start up
• Capex = $380 million (net)
Atlantis South – Gulf of Mexico

- Deepwater oil
- Owned 56% by BP (operator) & 44% BHP Billiton
- Production capacity 200K bpd & 180 MM cubic feet gas per day (100%)
- Expected online later this calendar year
- Drilling on 7 wells complete & commissioning activities continue
- Costs recently updated to $1.6 billion (net)
• Deepwater oil operated by BHP Billiton, 44%
• Reserves 350-400 MM boe (100%)
• 100K bpd & 50 MM cubic feet gas per day capacity (100%)
• Hull and topsides fabrication in progress
• Drilling with dedicated rigs under contract to 2012
• Online mid 2009
• Capex = $1.94 billion (net)
NWS LNG Train 5 – Western Australia

- Operated by Woodside
- BHP Billiton 16.67%
- Capacity of 4.2 MM tpa (100%)
- Online end of 2008
- All 17 modules for Train 5 delivered on schedule
- Hook up and commissioning continues
- Record LNG prices
- Capex = $300 million (net)
<table>
<thead>
<tr>
<th>Region</th>
<th>Proved (1P)</th>
<th>Proved + Probable (2P)</th>
<th>Contingent Resources</th>
</tr>
</thead>
<tbody>
<tr>
<td>Europe/Africa</td>
<td>0.076</td>
<td>0.103</td>
<td>1.447</td>
</tr>
<tr>
<td>Americas</td>
<td>0.248</td>
<td>0.579</td>
<td></td>
</tr>
<tr>
<td>Australia/Asia</td>
<td>1.029</td>
<td>1.44</td>
<td></td>
</tr>
</tbody>
</table>

Petroleum Reserves as of 30 June 2007

Billion Boe
Exploring around the World: Capturing New Opportunities

- Thebe discovery announced, offshore Western Australia
- Malaysia acreage captured, office being established
- Colombia 3D seismic commencing
- Gearing up to participate in Gulf of Mexico lease sales – Oct 2007
Southern Africa Exploration
BHP Billion Petroleum South Africa & Namibia Acreage Position

Block 3B/4B
BHP Billiton 90%, Operator
Global 10%
Area ~21,500 km²

Southern & Northern Blocks
BHP Billiton 75%, Operator
Mitsui 15%, PetroSA 10%
Area ~29,000 km²

Block 3A/4A
BHP Billiton 60%, Operator
PetroSA 30%, Sasol 10%
Area ~22,000 km²
Deep inventory of projects and options

As at 22 August 2007
Proposed capital expenditure

- <$500M
- $501M-$2Bn
- $2Bn+

Feasibility

- WA Iron Ore
- RGP 4
- Shensi
- Kipper
- Boffa/Santou Refinery
- Corridor Sands II
- Samanco 4
- Escondida 3rd Line
- Olympic Dam
- Olympic Dam Quantum 2
- Browse LNG
- Cameroon
- Queensland
- Goonyella
- Timmeran
- Red Hill
- Bakhuis
- Samanco 4
- Escondida 3rd Concentrator

Execution

- WA Iron Ore RGP 5
- Shenzi
- WA Iron Ore Quantum 1
- Rio Tinto
- NWS
- NWS Nth
- Blackwater
- Wagga UG
- Mccarline
- Peak Downs
- Goonyella
- Olympic Dam
- Olympic Dam Quantum 2
- Browse LNG
- Cameroon
- Queensland
- Goonyella
- Timmeran
- Red Hill
- Bakhuis
- Samanco 4
- Escondida 3rd Concentrator

2013

- WA Iron Ore RGP 5
- Shenzi
- WA Iron Ore Quantum 1
- Rio Tinto
- NWS
- NWS Nth
- Blackwater
- Wagga UG
- Mccarline
- Peak Downs
- Goonyella
- Olympic Dam
- Olympic Dam Quantum 2
- Browse LNG
- Cameroon
- Queensland
- Goonyella
- Timmeran
- Red Hill
- Bakhuis
- Samanco 4
- Escondida 3rd Concentrator

2010

- WA Iron Ore RGP 4
- Shenzi
- NWS
- NWS Nth
- Blackwater
- Wagga UG
- Mccarline
- Peak Downs
- Goonyella
- Olympic Dam
- Olympic Dam Quantum 2
- Browse LNG
- Cameroon
- Queensland
- Goonyella
- Timmeran
- Red Hill
- Bakhuis
- Samanco 4
- Escondida 3rd Concentrator

2007

- WA Iron Ore
- RGP 3
- Shenzi
- NWS
- NWS Nth
- Blackwater
- Wagga UG
- Mccarline
- Peak Downs
- Goonyella
- Olympic Dam
- Olympic Dam Quantum 2
- Browse LNG
- Cameroon
- Queensland
- Goonyella
- Timmeran
- Red Hill
- Bakhuis
- Samanco 4
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Future Options

- WA Iron Ore
- RGP 5
- Shenzi
- NWS
- NWS Nth
- Blackwater
- Wagga UG
- Mccarline
- Peak Downs
- Goonyella
- Olympic Dam
- Olympic Dam Quantum 2
- Browse LNG
- Cameroon
- Queensland
- Goonyella
- Timmeran
- Red Hill
- Bakhuis
- Samanco 4
- Escondida 3rd Concentrator

CATEGORIES
- Oil
- Coal
- Gas
- Metals
Deep Inventory of Projects and Options

As at 22 August 2007
Proposed capital expenditure

- <$500M
- $501M-$2Bn
- $2Bn+

Projects:
- Thebe
- Shenzi Nth
- Angostura Gas
- Browse LNG
- Scarborough
- Shenzi
- NWS Nth Rankin B
- Kipper
- Pyrenees
- NWS Angel
- NWS T5
- Zamzama Phase 2
- Neptune
- Stybarrow
- Atlantis North
- Atlantis South
- Genghis Khan
- Turrum
- NWS Nth Rankin B

Timeline:
2007
- Future Options
2010
- Execution
2013
- Feasibility
BIG Moves yet to come

• Significant multi-year volume growth
  – GOM – expected to increase from 12K → 100K bpd (net) next year
• New barrels – great fiscal terms
• New oil projects balance large gas volumes today
• Filling the pipeline – recent success in exploration & acquisitions to sustain growth
• Strong base performance – cost focus, reliable partner
• Focusing on People – hired 100 in Petroleum in last 12 months
• Beyond 2008 – project executions in progress