

NEWS RELEASE



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BHP BILLITON EXPLORATION AND DEVELOPMENT REPORT FOR THE QUARTER ENDED 30 SEPTEMBER 2010

This report covers the Group's exploration and development activities for the quarter ended 30 September 2010. Unless otherwise stated, BHP Billiton's interest in the projects referred to in this report is 100 per cent and references to project schedules are based on calendar years. This report, together with the Production Report, represents the Interim Management Statement for the purposes of the UK Listing Authority's Disclosure and Transparency Rules. There have been no significant changes to the financial position of the Group in the quarter ended 30 September 2010.

Development

During the quarter, the Douglas-Middelburg Optimisation Project (energy coal) was completed and delivered first coal on schedule and budget. This project will no longer be reported in future Exploration and Development Reports.

The approval of the Macedon Project (gas), offshore Western Australia, was announced on 24 September 2010.

| Project And Ownership | Share Of Approved Capex US\$M | Initial Production Target Date | Production Capacity (100%) | Quarterly Progress |
|--|-------------------------------|--------------------------------|--|--|
| Petroleum Projects | | | | |
| Macedon (Australia) 71.43% Gas | 1,050 | CY13 | 200 million cubic feet gas per day | Approval announced, see news release dated 24 September 2010. Drilling campaign commenced. The overall project is 3% complete. |
| Angostura Gas Phase II (Trinidad and Tobago) 45% Gas | 180 | H1 CY11 | 280 million cubic feet gas per day | On schedule and budget. Topsides fabrication completed and en route to Trinidad. Installation campaign progressing. The overall project is 74% complete. |
| Bass Strait Kipper (Australia) 32.5% - 50% Gas/Gas Liquids | 500 | CY11 | 10,000 bpd condensate and processing capacity of 80 million cubic feet gas per day | Schedule and budget under review following advice from the operator. |

| Project And Ownership | Share Of Approved Capex US\$M | Initial Production Target Date | Production Capacity (100%) | Quarterly Progress |
|--|-------------------------------|--------------------------------|--|---|
| Bass Strait Turrum (Australia) 50% Gas/Gas Liquids | 625 | CY11 | 11,000 bpd condensate and processing capacity of 200 million cubic feet gas per day | Schedule and budget under review following advice from the operator. |
| North West Shelf CWLH Life Extension (Australia) 16.67% Oil | 245 | CY11 | Replacement vessel with capacity of 60,000 bpd oil | On schedule and budget. Floating Production Storage and Offtake (FPSO) conversion continues. The overall project is 84% complete. |
| North West Shelf North Rankin B Gas Compression (Australia) 16.67% LNG | 850 | CY12 | 2,500 million cubic feet gas per day | On schedule and budget. Jacket fabrication continuing ahead of schedule. The overall project is 56% complete. |
| Minerals Projects | | | | |
| Worsley Efficiency & Growth (Australia) 86% Alumina | 1,900 | H1 CY11 | 1.1 million tpa of additional alumina | On schedule and budget. Construction is 38% complete. The overall project is 53% complete. |
| Antamina Expansion (Peru) 33.75% Copper | 435 | Q4 CY11 | Increases ore processing capacity to 130,000 tpd | On schedule and budget. Engineering is 82% complete. Construction is 21% complete. The overall project is 27% complete. |
| Iron Ore (Western Australia) RGP5 85% Iron Ore | 4,800 | H2 CY11 | 50 million tpa additional iron ore system capacity | Engineering is 98% complete. Construction is 77% complete. The overall project is 79% complete. However, scope is currently being reviewed in order to confirm car dumping and ship loading requirements. |
| Douglas-Middelburg Optimisation (South Africa) 100% Energy Coal | 975 | Mid CY10 | 10 million tpa export thermal coal and 8.5 million tpa domestic thermal coal (sustains current output) | Project is complete. First coal delivered on schedule and budget. |
| MAC20 Project (Australia) 100% Energy Coal | 260 | H1 CY11 | Increases saleable thermal coal production by approximately 3.5 million tpa | On schedule and budget. Engineering is complete. Construction is 86% complete. The overall project is 92% complete. |

Minerals Exploration

Grassroots exploration continued on copper targets in Chile and Zambia; nickel targets in Australia; manganese targets in Gabon; and diamond targets in Canada. Exploration for iron ore, coal, bauxite, potash and manganese was undertaken in a number of regions including Australia, Canada, South America and Africa.

For the quarter ended 30 September 2010, BHP Billiton spent US\$129 million on minerals exploration, of which US\$106 million was expensed.

Petroleum Exploration

Exploration and appraisal wells drilled during the quarter or in the process of drilling as at 30 September 2010.

| Well | Location | BHP Billiton Equity | Status |
|---------------|-----------------------------|---------------------|--------------------------|
| Deep Blue-1 | Green Canyon Gulf of Mexico | 31.875% | Temporarily suspended |
| | GC 723 | (Noble operator) | Hydrocarbons encountered |
| Black Pearl-1 | Exmouth Sub-basin | 71.43% | Plugged & abandoned |
| | WA-42-L | (operator) | Hydrocarbons encountered |
| Toroa-1 | East Falkland Basin | 51% | Plugged & abandoned |
| | PL015_02 | (operator) | Dry hole |
| Furness C-1 | Exmouth Sub-basin | 50% | Plugged & abandoned |
| | WA-255-P | (operator) | Dry hole |

Petroleum exploration expenditure for the quarter ended 30 September 2010 was US\$74 million, of which US\$56 million was expensed. Our guidance for petroleum exploration expenditure for the June 2011 financial year is unchanged at approximately US\$900 million and is expected to be heavily weighted to the second half.

Further information on BHP Billiton can be found on our Internet site: www.bhpbilliton.com

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