BHP Billiton Petroleum

2010 CERAWEEEK
Upstream Oil Plenary

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March 9, 2010
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Non-GAAP Financial Information

BHP Billiton results are reported under International Financial Reporting Standards (IFRS). References to Underlying EBIT and EBITDA exclude any exceptional items. A reconciliation to statutory EBIT is contained within the profit announcement, available at our website www.bhpbilliton.com.
A global upstream portfolio

Petroleum
A 450KBD oil and gas exploration and production business

Iron Ore
#3 global supplier of seaborne iron ore

Metallurgical Coal
#1 global supplier of seaborne traded metallurgical coal

Base Metals
#3 global producer of copper, silver and lead

Energy Coal
#4 global supplier of seaborne export thermal coal

Aluminium
#4 global producer of bauxite and #4 aluminium company based on net third party sales

Manganese
#1 global supplier of seaborne manganese ore

Stainless Steel Materials
#3 global nickel producer

Diamonds & Specialty Products
EKAFT Diamond Mine is one of the world’s largest gem quality diamond producers

Note: Ranking based on production volumes. Location of markers indicative only.
An E&P Player with the Power and Reach of a Super-major

Market Capitalisation (US$bn, March 2010)

- **Petroleum Peer Group**
  - Petrochina
  - Exxon Mobil
  - BHP Billiton
  - Petrobras
  - Royal Dutch BP
  - Chevron
  - Gazprom
  - Total
  - Eni
  - Rosneft
  - ConocoPhillips
  - StatoilHydro
  - CNOOC
  - Occidental
  - BG Group
  - Ecopetrol
  - ONGC
  - Suncor
  - Lukoil
  - Canadian
  - Apache
  - Imperial Oil
  - Woodside
  - Devon Energy
  - Repsol
  - XTO Energy
  - Encana Corp
  - EOG
  - Husky Energy

- **Mining Peer Group**
  - BHP Billiton
  - Vale
  - *Rio Tinto
  - **China Shenhua
  - Anglo American
  - Xstrata
  - Barrick Gold
  - Freeport McMoRan
  - **Norilisk Nickel
  - GoldCorp
  - Southern Copper
  - Anglo Platinum
  - **Aluminium Corp. of China
  - Impala Platinum
  - Alcoa

Source: Bloomberg

* Rio Tinto Market Cap = Market Cap of Rio Tinto Plc + 62.6% of Market Cap of Rio Tinto Ltd (due to Rio Tinto Plc’s approximate 37.4% holding of Rio Tinto Ltd, as per http://www.riotinto.com/annualreport2007/shareholderinformation/dual_listed_companies/index.html)

** Market value may be unreliable due to a high percentage of non free-float shares.
Core Strategy

- Pursue large, upstream opportunities with multiple options
- Take large positions, early
- Be functionally strong where we compete
- Fundamentals focus – safety, volume, cost
- Maintain long term view with continued investment through the cycles
- Same for all BHP Billiton businesses
Large, multiple options

Stybarrow

Pyrenees

Neptune

Shenzi

NWS (Train V – South West View)

Exmouth Plateau
Taking large positions

- Petroleum HQ
- Gulf of Mexico
- Algeria
- Pakistan
- East Canada
- Tunisia
- UK
- Vietnam
- Malaysia
- W Australia
- Bass Strait
- The Falklands
- Producing and development
- Exploration
Being functionally strong

Source: Offshore Magazine / Mustang Engineering – 2007
Deepwater Solutions & Records for Concept Selection
Being functionally strong

GoM deepwater exploration and appraisal wells
(Days per 1000 ft drilled, Jan-2000 to Jul-2008)

- On average, it takes BHP Billiton less time to reach total depth than our competitors
  - Rigorous well planning, geographic experience, and robust procedures
- Time = Cost
- Consistently reach target depth
- Committed rigs on contract to execute deepwater program
- Manage global drilling operations centrally
- Industry best completions technology
Fundamentals: Safety, Volume, Cost

Safety Record
- Achieved 100% reduction in LTIFR between FY07 and FY09
- Negligible level of hydrocarbon releases

100,100,100
- Operated production uptime increasing year-over-year – now 95%
- Record production ramp-ups from new projects – Shenzi, Stybarrow, Pyrenees

Unit Cost Focus
- Unit operating costs holding steady at less than $6/boe
- Unit DD&A currently at ~$12.50/boe

Reserve Replacement
- >100% past two years

Peers: APC, APA, DVN, HES, WPL, MUR, TLM.
Fundamentals: Safety, Volume, Cost

Production
(kboe per day)

FY05  FY06  FY07  FY08  FY09  YTD FY10

Mad Dog
Jan 05

Atlantis
Oct 07

Neptune
Jul 08

Shenzi
Mar 09

CERAweek, Upstream Oil Plenary, 9 March 2010

Slide 11
Pyrenees (71.43% w.i., BHP Billiton Operated)

Project Overview

- 96 kbd and 60 mmcf/d capacity (gross)
- Sanction date: July 2007
- Start-up: March 2010
- Sanction CAPEX: US$ 1.7 billion (Gross)
- Partner: Apache Corporation, 28.57% interest
# Deep Opportunity Pipeline

## GoM
- Mad Dog South
- Atlantis North

## Western Australia
- Pyrenees Ramp Up
- Macedon Gas
- NRB
- CWLH

## Bass Strait
- Kipper
- Turrum

## Worldwide
- Angostura Gas
- Pakistan FEC
Maintain long term view

- Continue to invest through the cycle, while maintaining good balance sheet discipline
- Net gearing at 15.1 percent
- Top credit rating: ~Moody’s A1 ~Standards & Poors A+

(US$bn)

- Investment
- Exploration
- Sustaining Capex
- Growth Expenditure

(a) FY10F includes US$800m for Petroleum.
(b) Reflecting announced transactions only. FY11F relates to Western Australia Iron Ore Production Joint Venture equalisation payment to Rio Tinto which is subject to finalisation adjustments. Calculated on the basis of UKGAAP for periods prior to FY05.
We are in a unique position

Net Gearing (%)

FY01 FY02 FY03 FY04 FY05 FY06 FY07 FY08 FY09 1H10

Net Gearing (LHS)
Underlying EBITDA Interest Cover

Interest Cover (Times)

Moody's Investment Services

Standard & Poor's

Underlying Gearing and Underlying EBITDA interest cover shown for FY05 to 1H10. Calculated on the basis of UKGAAP for periods prior to FY05.
Same for all BHP Billiton businesses

Iron Ore

Copper

Metallurgical Coal

Petroleum
Conclusions

- BHP Billiton’s approach has been successful
- Strong financial position to stay the course
- Safety, volume, cost
- Positioned in Petroleum and other businesses to grow