



Industry Outlook for the Next Decade

Ian R. Ashby
BHP Billiton
President, Iron Ore
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BHP Billiton: the world's largest diversified resources company



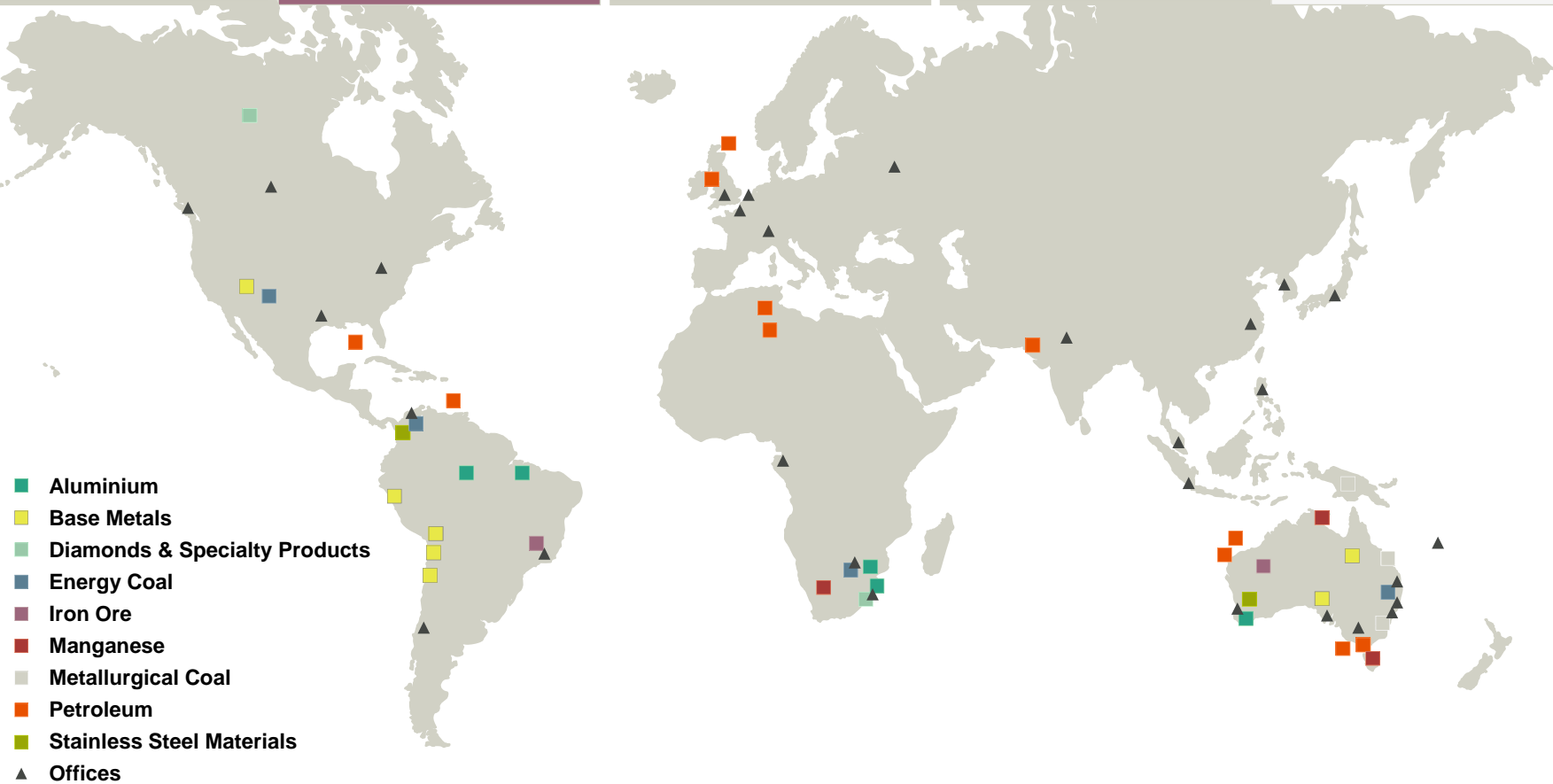
Petroleum: a 500mbd oil and gas exploration and production business

Iron Ore: one of the world's premier suppliers of iron ore

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

Metallurgical Coal: largest global supplier of seaborne traded hard coking coal

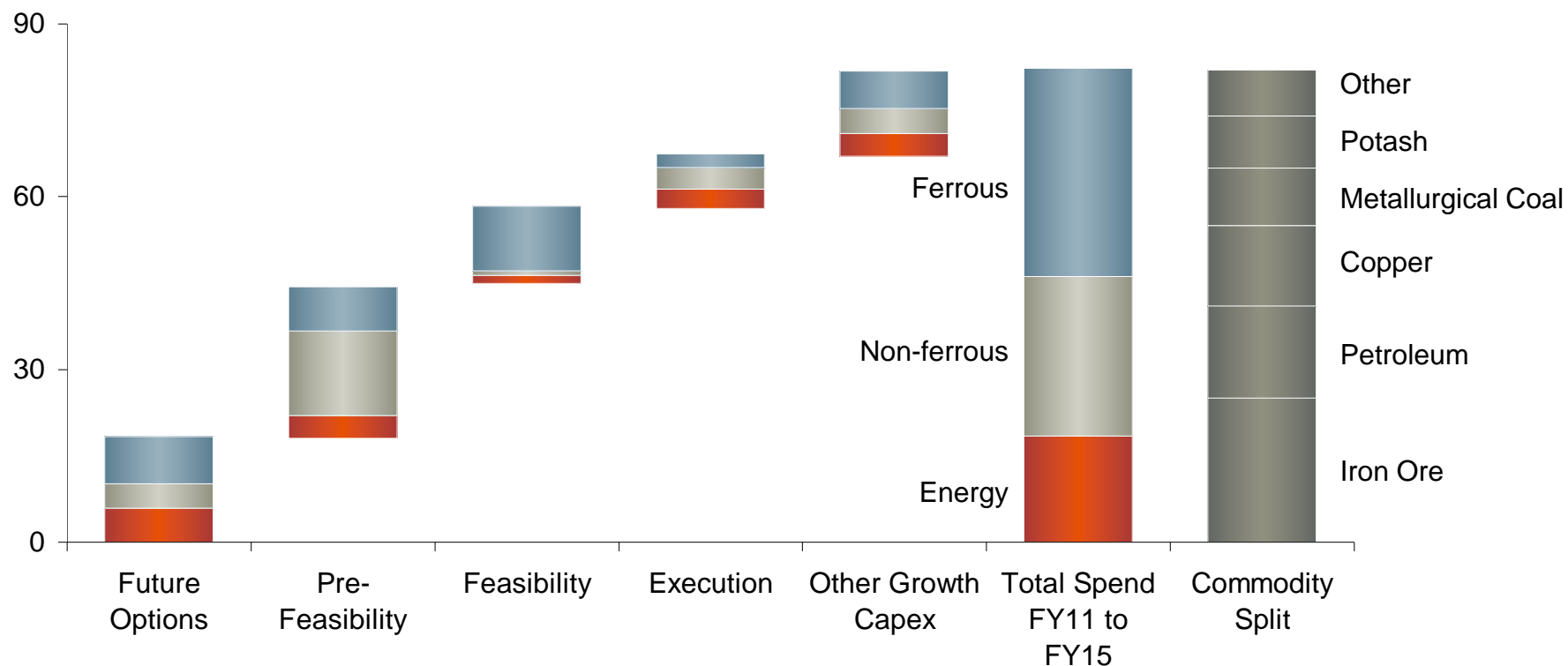
Other: Aluminium, Diamonds & SP, Stainless Steel Materials, Manganese, Energy Coal



Significant capital expenditure to underpin future BHP Billiton growth



Strong pipeline of investment (US\$ billion)



Note: Excluding sustaining capital expenditure and exploration expenditure. Excludes capital expenditure related to recently acquired Fayetteville shale gas operation.

Maintaining BHP Billiton's commitment to our core strategy



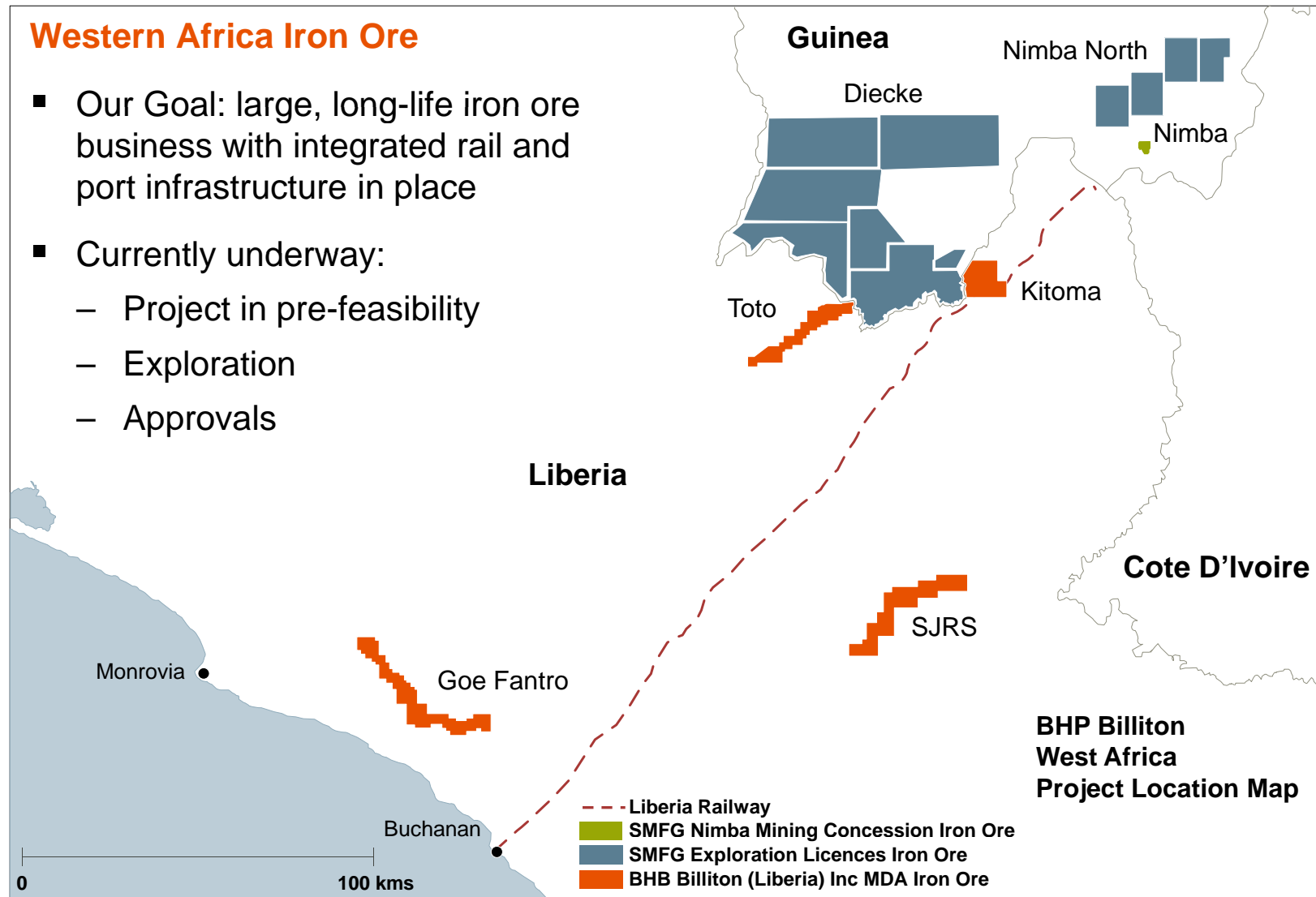
- Large, low-cost, long-life Tier 1 assets
- Export oriented
- Upstream focused
- Diversified by commodity, customer and geography
- Committed to a solid 'A' credit rating
- Deep inventory of growth options
- Ethics, safety, environmental practice and community engagement
- Employer of choice and a preferred partner



Building a West African Iron Ore Business

Western Africa Iron Ore

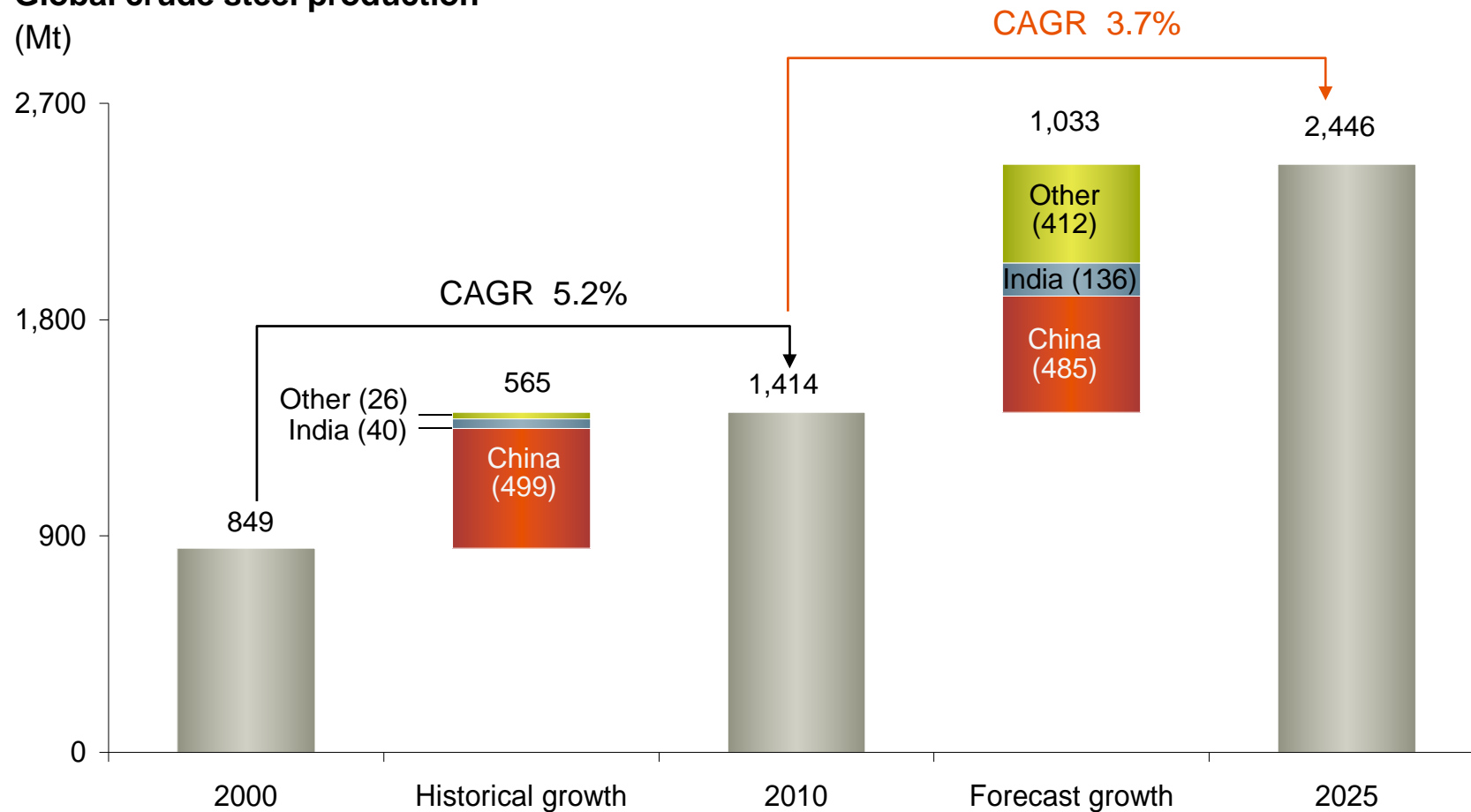
- Our Goal: large, long-life iron ore business with integrated rail and port infrastructure in place
- Currently underway:
 - Project in pre-feasibility
 - Exploration
 - Approvals



Steel production to continue to grow to 2025, driven by Asian production

Global crude steel production

(Mt)

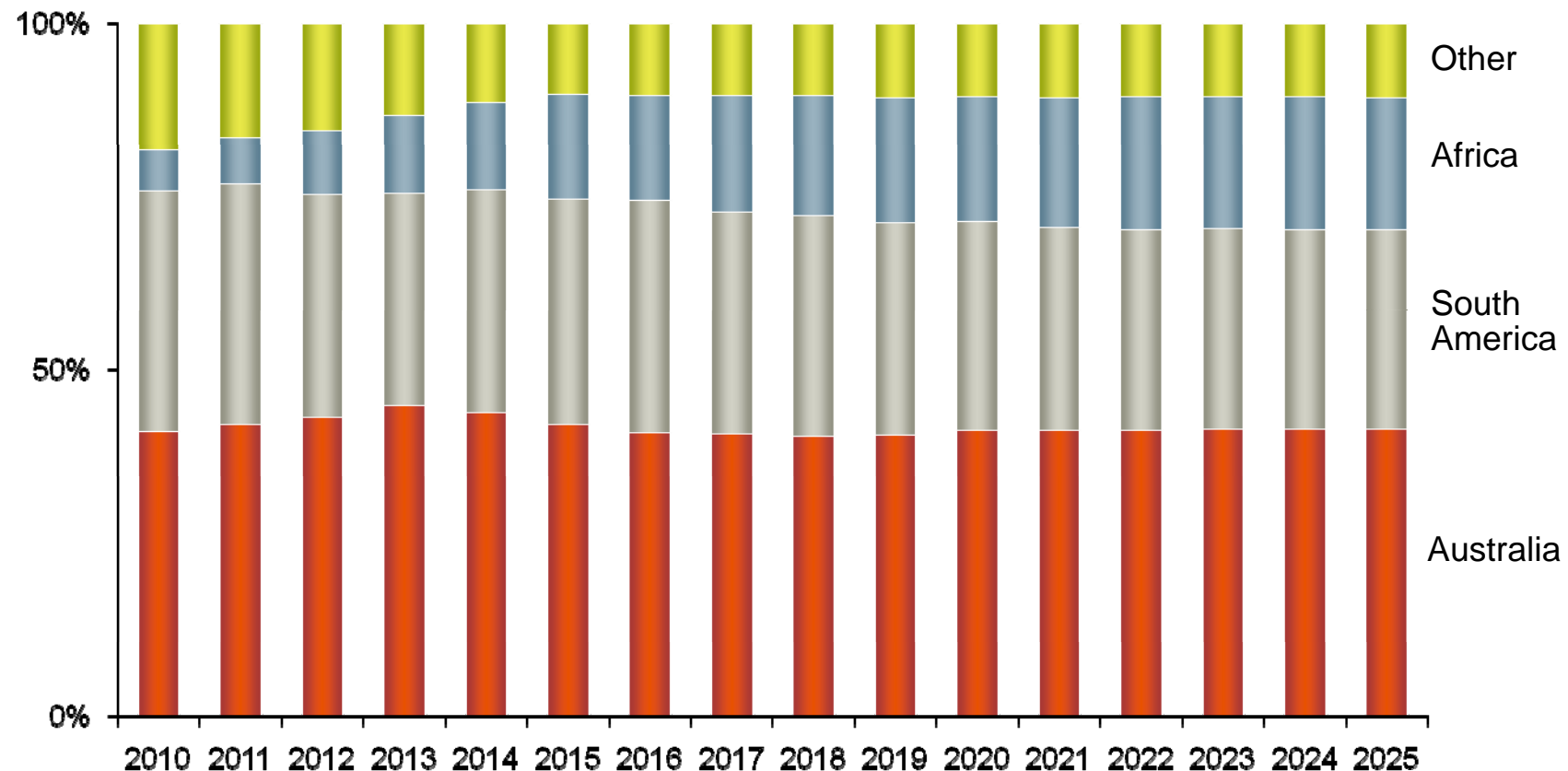


Source: BHP Billiton analysis.

...with new sources of Iron Ore supply required to meet the demand...

Total announced seaborne supply by region

(%)

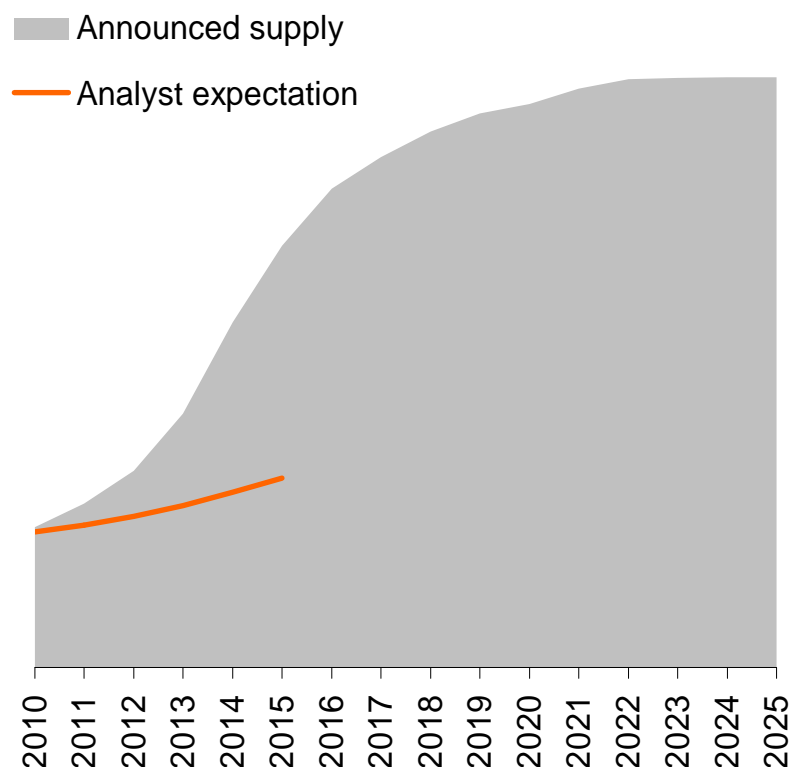


Note: Others includes India, Middle East, CIS, Europe-Other, Asia and New Zealand.

Source: BHP Billiton analysis.

... but numerous challenges will remain

Total announced seaborne supply (Mtpa)



Industry challenges

- Rising capital and operational costs
- Skilled labour availability
- Operational complexity for multiple tie-ins
- Civil Infrastructure strain
- Country political risks

Note: Announced Supply based on BHP Billiton analysis of public announcements.

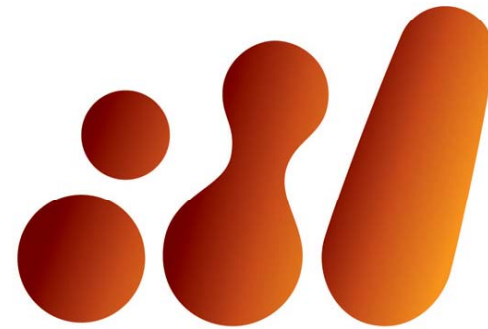
Analyst expectation based on Goldman Sachs, Macquarie Research, UBS and Barclays Capital and Citigroup Global Markets (January – March 2011).

Source: BHP Billiton analysis.

Iron Ore Outlook Summary



- Growth in **China and India** likely to sustain **strong Iron Ore demand**
- A significant **ramp up of supply** is required in next 5-10 years
- **Industry challenges** will continue to put pressure on **supply delivery**
- **Delivered supply** will eventually **restore market balance**
- Competition between producers will focus on **conventional factors** such as **product quality, reliability and cost position**



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resourcing the future