Demerger of South32 unlocks shareholder value

Andrew Mackenzie Chief Executive Officer
17 March 2015

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Important information and disclaimer

Nature of this presentation

The information contained in this presentation does not constitute a prospectus or other listing document in relation to BHP Billiton or the new company proposed to be demerged from BHP Billiton ('South32') in any jurisdiction and is summary information provided for information purposes only. Any investment decision in relation to South32 should be made only on the basis of the information contained in the Listing Document for the relevant jurisdiction. The "Listing Documents", which have been published today and are available, subject to applicable securities laws, on the BHP Billiton website at *www.bhpbilliton.com/demerger*, comprise a prospectus which has been approved by the UK Listing Authority in connection with the proposed admission of South32's ordinary shares to the standard listing segment of the Official List of the UK Financial Conduct Authority and to trading on the Main Market for listed securities of London Stock Exchange plc, an information memorandum in connection with South32's application for the admission of its ordinary shares to listing on the Australian Securities Exchange and a pre-listing statement in connection with South32's application for the admission of its ordinary shares to listing on the Johannesburg Stock Exchange.

This presentation should not be relied upon in connection with voting on the proposed demerger. Information relating to the proposed demerger is set out in the Shareholder Circular. The Shareholder Circular is available on BHP Billiton's website at *www.bhpbilliton.com/demerger*. Subject to applicable securities laws, shareholders may obtain printed copies of the Shareholder Circular and the Listing Document applicable to their jurisdiction (the 'Disclosure Documents') free of charge by calling the Shareholder Information Line (details set out in section 3.9 of the Listing Documents and under "Important notices" at the start of the Shareholder Circular).

Nothing in this presentation should be construed as either an offer to sell or a solicitation of an offer to buy or sell BHP Billiton securities or securities in South32 in any jurisdiction.

Forward-looking statements

This presentation contains forward-looking statements, which may include statements regarding, among other things: trends in commodity prices and currency exchange rates; demand for commodities; plans, strategies and objectives of management; closure or divestment of certain operations or facilities (including associated costs); anticipated production or construction commencement dates; capital costs and scheduling; operating costs and shortages of materials and skilled employees; anticipated productive lives of projects, mines and facilities; provisions and contingent liabilities; tax and regulatory developments.

Forward-looking statements can be identified by the use of terminology such as 'intend', 'aim', 'project', 'anticipate', 'estimate', 'plan', 'believe', 'expect', 'may', 'should', 'will', 'continue', 'annualised' or similar words. These statements discuss future expectations concerning the results of operations or financial condition, or provide other forward-looking statements.

These forward-looking statements are not guarantees or predictions of future performance, and involve known and unknown risks, uncertainties and other factors, many of which are beyond our control, and which may cause actual results to differ materially from those expressed in the statements contained in this presentation. Readers are cautioned not to put undue reliance on forward-looking statements.

For example, future revenues from our operations, projects or mines (including those that will become part of South32) described in this presentation will be based, in part, upon the market price of the minerals, metals or petroleum produced, which may vary significantly from current levels. These variations, if materially adverse, may affect the timing or the feasibility of the development of a particular project, the expansion of certain facilities or mines, or the continuation of existing operations.

Other factors that may affect the actual construction or production commencement dates, costs or production output and anticipated lives of operations, mines or facilities include our ability (or, as applicable, the ability of South32) profitably to produce and transport the minerals, petroleum and/or metals extracted to applicable markets; the impact of foreign currency exchange rates on the market prices of the minerals, petroleum or metals we (or South32) produce; activities of government authorities in some of the countries where we (or South32) are exploring or developing these projects, facilities or mines, including increases in taxes, changes in environmental and other regulations and political uncertainty; labour unrest; and other factors identified in the Disclosure Documents.

Except as required by applicable regulations or by law, neither BHP Billiton nor South32 undertakes any obligation publicly to update or review any forward-looking statements, whether as a result of new information or future events.

Important information and disclaimer (continued)

BHP Billiton non-IFRS financial information

BHP Billiton results are reported under International Financial Reporting Standards (IFRS) including Underlying EBIT and Underlying EBITDA which are used to measure segment performance. This presentation also includes certain non-IFRS measures including Underlying EBIT margin and Net debt. These measures are used internally by management to assess the performance of our business, make decisions on the allocation of our resources and assess operational management. Non-IFRS measures have not been subject to audit or review and should not be considered as an indication of or alternative to an IFRS measure of profitability, financial performance or liquidity.

South32 financial information

This presentation and/or the Disclosure Documents include historical combined financial information and pro forma financial information relating to South32. The historical combined financial information has been prepared by aggregating the historical financial information relating to the businesses that will be held by South32 as at the date of the demerger. The pro forma financial information has been prepared for the purpose of showing the impact of the demerger on South32's financial performance and position. Details of the basis of preparation and presentation of the South32 financial information are set out in the Disclosure Documents.

The South32 financial information in this presentation and/or the Disclosure Documents include references to Underlying Earnings, Underlying EBIT and Underlying EBITDA, which are used to assess the performance of South32 and its businesses. Underlying EBITDA and Underlying EBIT are calculated based on the accounting policy that South32 proposes to use when discussing its operating results in future periods. The accounting policy proposed by South32 for calculating these measures differs from that currently used by BHP Billiton. Further information on the calculation of these measures is set out in the Disclosure Documents.

Presentation of data

Unless specified otherwise, all references to revenue, Underlying EBIT and Underlying EBIT margin include third party trading activities.

Reliance on third-party information

The views expressed in this presentation contain information that has been derived from publicly available sources that have not been independently verified. No representation or warranty is made as to the accuracy, completeness or reliability of the information. This presentation should not be relied upon as a recommendation or forecast by BHP Billiton or South32.

No financial or investment advice – South Africa

BHP Billiton and South32 do not provide any financial or investment 'advice', as that term is defined in the South African Financial Advisory and Intermediary Services Act 37 of 2002, and we strongly recommend that you seek professional advice.

No SEC or Exchange Act registration – United States

The demerger of South32 from BHP Billiton will not be registered with the US Securities and Exchange Commission (SEC) under the US Securities Act of 1933, as amended. BHP Billiton expects South32 to qualify for the exemption from registration under Rule 12g3-2(b) of the US Securities Exchange Act of 1934, as amended ('Exchange Act'), and accordingly the South32 shares will not be registered under the Exchange Act and South32 will not be subject to the reporting requirements of the Exchange Act.

Important information and disclaimer (continued)

Mineral and Coal Resources

This presentation includes information on FY14 Mineral or Coal Resources as compiled by: P. Whitehouse (MAusIMM) – WAIO and Samarco JV; M. Williams (MAusIMM) – Escondida, Pampa Norte, Antamina, Olympic Dam; B. Coutts (MAusIMM) – Cannington; J. Field (MAusIMM) – Queensland Coal, NSW Energy Coal, Cerrejón, Illawarra Metallurgical Coal, South Africa Energy Coal and New Mexico Coal; J. Engelbrecht (MAusIMM) – Worsley Alumina; R. Aglinskas (MAusIMM, employed by Mineração Rio do Norte) – MRN Mine; I. Espitia (MAusIMM) – Cerro Matoso; C. Nengovhela (SACNASP) and E.P. Ferreira (SACNASP) – South Africa Manganese; D. Hope (MAusIMM) – GEMCO; M. Menicheli (MAusIMM) – Nickel West; and J. McElroy (MAusIMM) – Jansen.

The above-mentioned persons are full-time employees of BHP Billiton at the time of reporting, unless otherwise stated, and have the required qualifications and experience to qualify as Competent Persons for Mineral or Coal Resources under the JORC Code. The compilers verify that this report is based on and fairly reflects the Mineral / Coal Resources information and agree with the form and context of the information presented. All tonnes and grade information has been rounded, hence small differences may be present in the totals.

FY14 information was reported under the 'The JORC Code 2012 Edition'. The resource information in this presentation is extracted from the BHP Billiton 2014 Annual Report and Form 20-F submission (dated 25 September 2014), and the South32 Listing Documents Section 7.2 which are available at BHP Billiton's website at *www.bhpbilliton.com*. BHP Billiton confirms that it is not aware of any new information or data that materially affects the information included in the original Australian Securities Exchange (ASX) market announcement and that all material assumptions and technical parameters underpinning the estimates in the relevant ASX market announcement continue to apply and have not materially changed. BHP Billiton confirms that the form and context in which the Competent Person's findings are presented have not been materially modified from the original ASX market announcements. It is BHP Billiton's opinion that all resources included have the potential to be recovered and sold.

Mineral / Coal Resource life is estimated from the resources converted to a run-of-mine basis using historical resources to reserves conversion divided by the FY14 production rate on a 100% basis. Nickel West deposits not in production use similar style Nickel West or study phase resource to reserve conversion factors. Jansen Mineral Resource life is based on aspirational potash capacity (10 Mtpa KCl) stated on a 100% basis. Resource life calculations are indicative only and do not necessarily reflect future uncertainties such as economic conditions, technical or permitting issues. Historical Mineral / Coal Resources to Ore / Coal Reserves conversion factors may not be indicative of future conversion factors.

Petroleum Resources

The estimates of petroleum 2P reserves and 2C contingent resources used to build the Asset Life graphic contained on slide 8 of this presentation are as of 30 June 2014 and are expressed on a net economic interest basis. Petroleum asset Resource life is calculated from the net remaining 2P Reserves plus 2C Resources as of 30 June 2014 divided by the net FY14 production.

BHP Billiton estimates proved reserves (1P) according to United States Securities and Exchange Commission (SEC) disclosure regulations and files these in our annual Form 20-F submission with the SEC. All unproved volumes are estimated using SPE-PRMS guidelines which allow escalations to prices and costs, and as such, would be on a different basis than that prescribed by the SEC, and are therefore excluded from our SEC filings. Under the PRMS guidelines 2P represents the sum of proved and probable reserves and denotes the best estimate scenario of reserves. The 1C category denotes the low estimate scenario of contingent resources, while 2C represents the best estimate scenario of contingent resources.

The estimates utilised are based on, and fairly represent, information and supporting documentation prepared under the supervision of Mr. A. G. Gadgil, who is employed by BHP Billiton. Mr. Gadgil is a member of the Society of Petroleum Engineers and has the required qualifications and experience to act as a qualified petroleum reserves and resources evaluator under the Australian Securities Exchange (ASX) Listing Rules. This presentation is issued with the prior written consent of Mr. Gadgil who agrees with the form and context in which the petroleum reserves and contingent resources are presented.

Reserves and contingent resources estimates utilised have been estimated using deterministic methodology with the exception of the North West Shelf gas asset in Australia. For this project, probabilistic methodology has been utilised to estimate and aggregate the proved reserves dedicated to the gas project only and represents an increment of 30 MMboe above the deterministic estimate. Aggregates of reserves and contingent resources estimates have been calculated by arithmetic summation of field/project estimates by category. The aggregate proved reserves may be conservative due to the portfolio effects of arithmetic summation. The custody transfer point(s)/point(s) of sale applicable for each field or project are the reference point for the resources. The barrel of oil equivalent conversion is based on 6,000 scf of natural gas equals 1 boe. Estimates have not been adjusted for risk and exclude fuel required for operations. Unless noted otherwise, petroleum resources represents the sum of 2P reserves plus 2C contingent resources.

The demerger will create two great companies

- Focused on upstream, Tier 1 assets, we remain well diversified, resource long and option rich
- Core portfolio of 19 assets with a smaller geographical spread and a higher proportion of common characteristics
- Simplification facilitates greater focus on improving performance and drives substantial additional productivity benefits

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- A globally diversified metals and mining company with a complementary portfolio of high quality assets, many among the largest in their sectors, but of a different scale to those in BHP Billiton's core portfolio
- Freedom to adopt a tailored strategy and regional operating model to facilitate cost reductions and improved productivity
- No longer competing for capital with BHP Billiton's core assets

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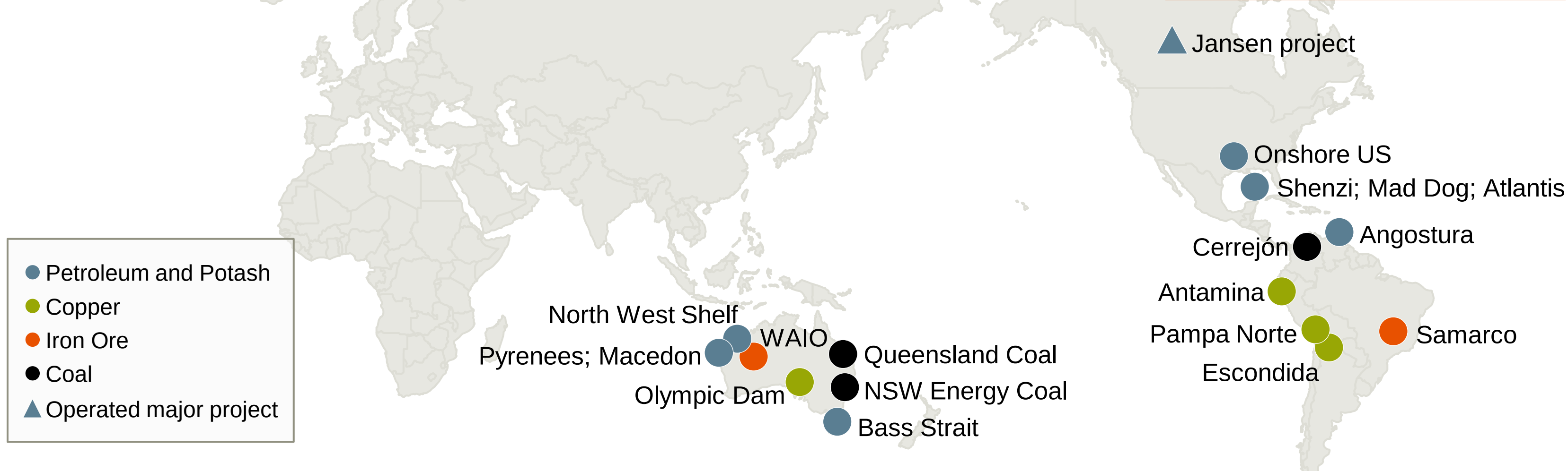
Eligible BHP Billiton shareholders will receive one South32 share for each BHP Billiton share they own

BHP Billiton's portfolio will be simpler and more focused on its Tier 1 assets

	Today	Core portfolio[1]
Total assets	**41**	**19**
Operated mineral assets	**20**	**7**
Operated petroleum assets	**10**	**5**
Countries	**13**	**8**
Continents	**6**	**3**

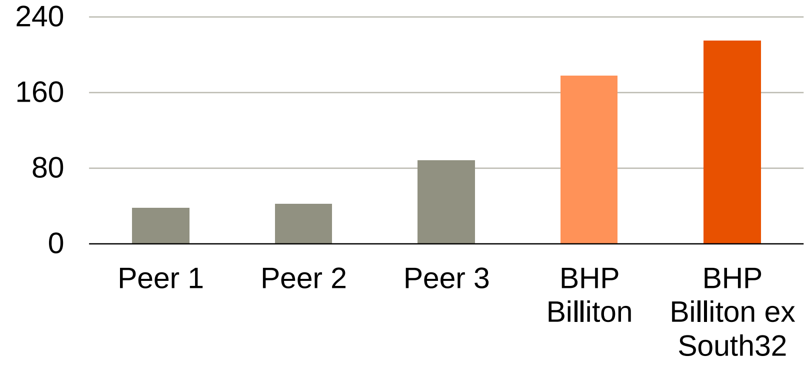


1. Core portfolio includes: Western Australia Iron Ore (WAIO); Samarco; Queensland Coal (which comprises BHP Billiton Mitsubishi Alliance and BHP Billiton Mitsui Coal); NSW Energy Coal; Cerrejón; Escondida; Olympic Dam; Pampa Norte; Antamina; Onshore US; Shenzi; Mad Dog; Atlantis; Angostura; North West Shelf; Bass Strait; Pyrenees; Macedon; and the Jansen project. Following the demerger, Nickel West, New Mexico Coal and several smaller petroleum assets will remain in BHP Billiton's portfolio as non core.

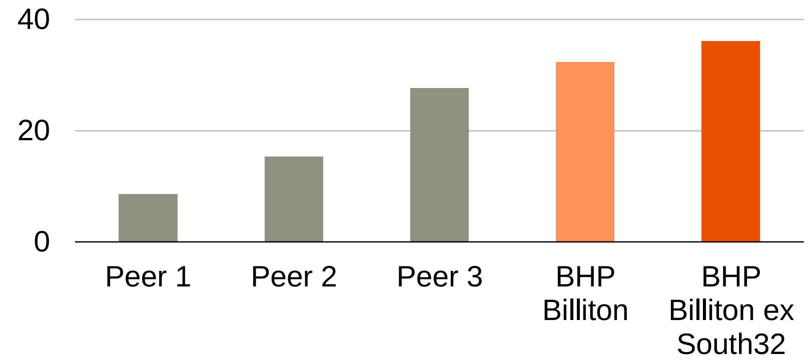
The demerger is expected to deliver significant benefits

- With a simpler portfolio, BHP Billiton will streamline its organisational model by aggregating functional support and increasing the utilisation of global shared service centres
  - estimated cost savings of ~US$100 million (pre-tax) per annum[1]
- Following the demerger, BHP Billiton will be focused on its upstream, Tier 1 assets which have a greater proportion of common characteristics
  - increases standardisation which enables leveraging of technical expertise and existing common systems
  - expected to drive substantial productivity benefits in the longer term, beyond the US$4.0 billion per annum[2] already targeted

A simple portfolio[3]
(copper equivalent production per employee, kt)



A high quality portfolio[3]
(Underlying EBIT margin, %)



Source: Company reports; BHP Billiton analysis.
1. 90% of BHP Billiton's functional cost savings of US$100 million per annum are expected to be achieved by the end of FY17. One-off restructuring costs of ~US$55 million are expected to be incurred in connection with implementing these cost savings.
2. Represents planned annualised productivity-led gains to be delivered from our core portfolio only by the end of FY17, relative to FY14.
3. Production and employee numbers based on CY13; Underlying EBIT margin (which excludes third party trading) based on CY14.
Peer group includes Rio Tinto, Anglo American and Glencore. Peer data estimated on a consistent basis with BHP Billiton based on public information.

A more focused portfolio can deliver stronger growth and margins

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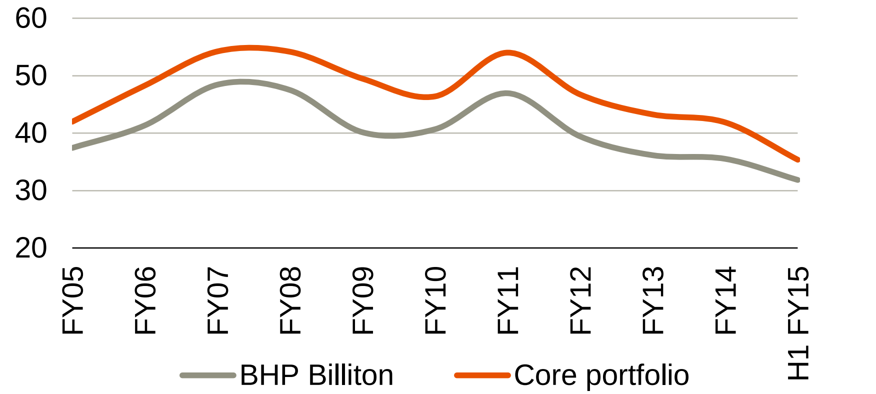
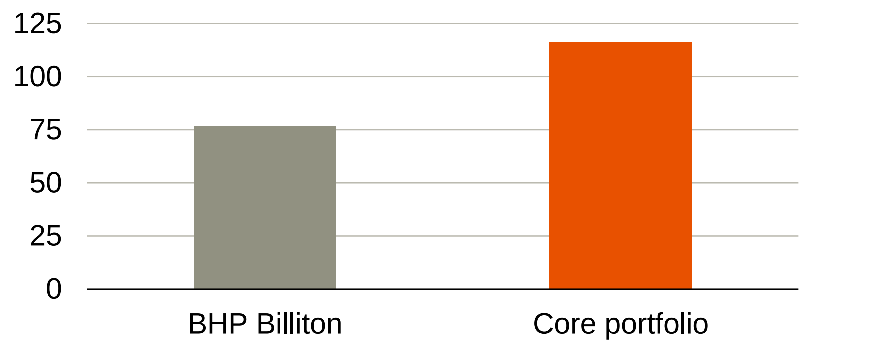
- Our core portfolio has generated stronger growth and margins compared with the broader BHP Billiton portfolio over the last 10 years
  - production CAGR[1] of 7% (versus 4%)
  - Underlying EBIT CAGR[1,2] of 21% (versus 15%)
  - an average Underlying EBIT margin[2,3] of 48% (versus 41%)
- Our core portfolio of very long life assets contains multiple embedded growth options
  - brownfield expansions often provide attractive returns relative to other growth options

Higher margins with no material change in volatility
(Underlying EBIT margin[2,3], %)



Core portfolio focused on Tier 1 resources
(FY14 average resource life[4], years)

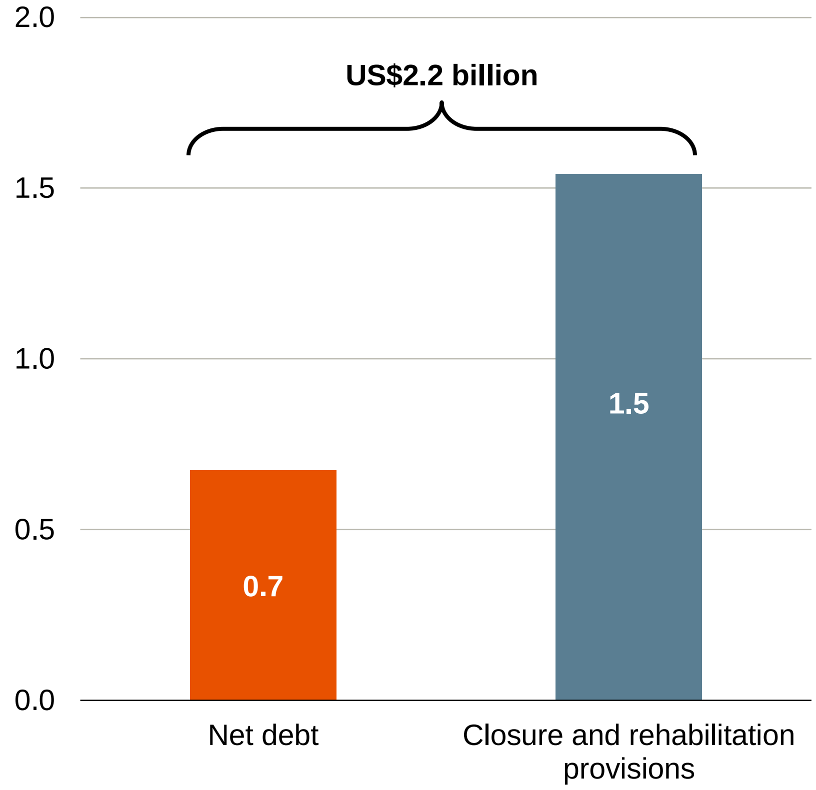


1. Compound annual growth rate (CAGR) from FY04 to FY14. Production CAGR is calculated on a copper equivalent basis.
2. Calculated on the basis of IFRS 10, IFRS 11 and IFRIC 20 for periods FY13 onwards.
3. Excludes third party trading.
4. Mineral / Coal Resource life is estimated from the resources converted to a run-of-mine basis using historical resources to reserves conversion divided by the FY14 production rate on a 100% basis. Refer to Mineral or Coal Resource classifications and Petroleum Inventory classifications on slides 16 and 17 (which are available at www.bhpbilliton.com).

An appropriate capital structure for both companies

- South32's capital structure was carefully considered
  - nature and scale of business
  - strategic objectives and access to capital
  - targeted investment grade credit rating
- BHP Billiton's net debt, liabilities and obligations are reduced
  - modest reduction in net debt
  - 23% reduction in closure and rehabilitation provisions
  - relevant employee provisions and operating lease obligations also transferred

South32 pro forma balance sheet items[1]
(31 December 2014, US$ billion)

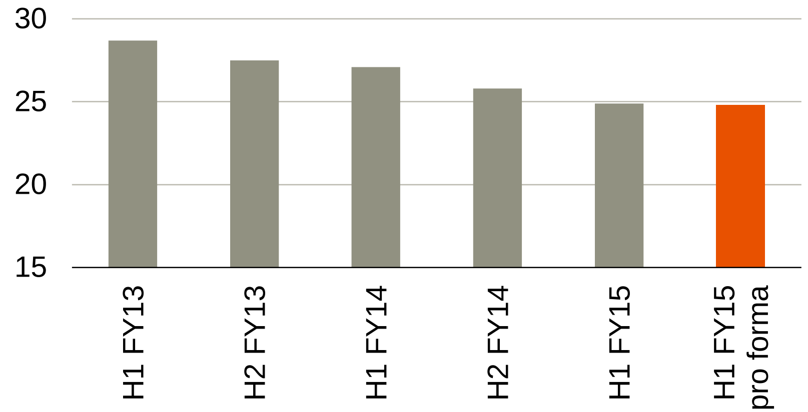


1. Represents selected South32 pro forma balance sheet items prepared on the basis that the demerger was effected and completed on 31 December 2014 with pro forma adjustments made to reflect, amongst other things, the move to joint control of the Manganese business.

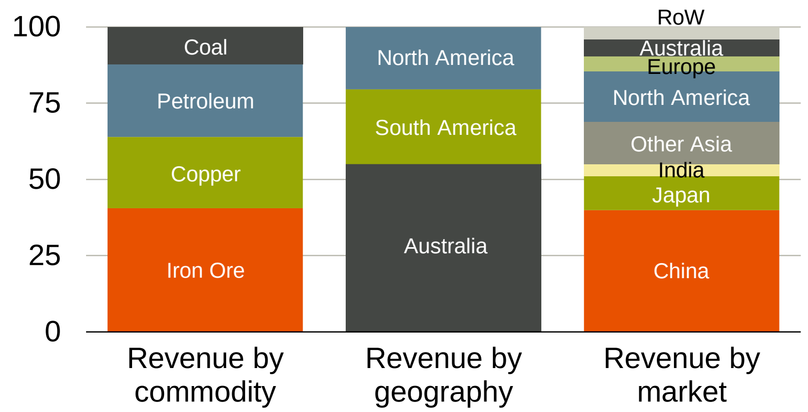
BHP Billiton's balance sheet will remain strong

- Our strong balance sheet and solid A credit rating are fundamental enablers of our strategy
  - following the announcement of the demerger Standard & Poor's and Moody's affirmed our A+/A1 credit ratings, respectively, both with a stable outlook
- Diversification is retained post demerger, with broad end-market exposure
  - our core portfolio contributed 96% of BHP Billiton's Underlying EBIT in FY14
  - South32 assets provide no material reduction in cash flow volatility

BHP Billiton balance sheet strength
(net debt, US$ billion)



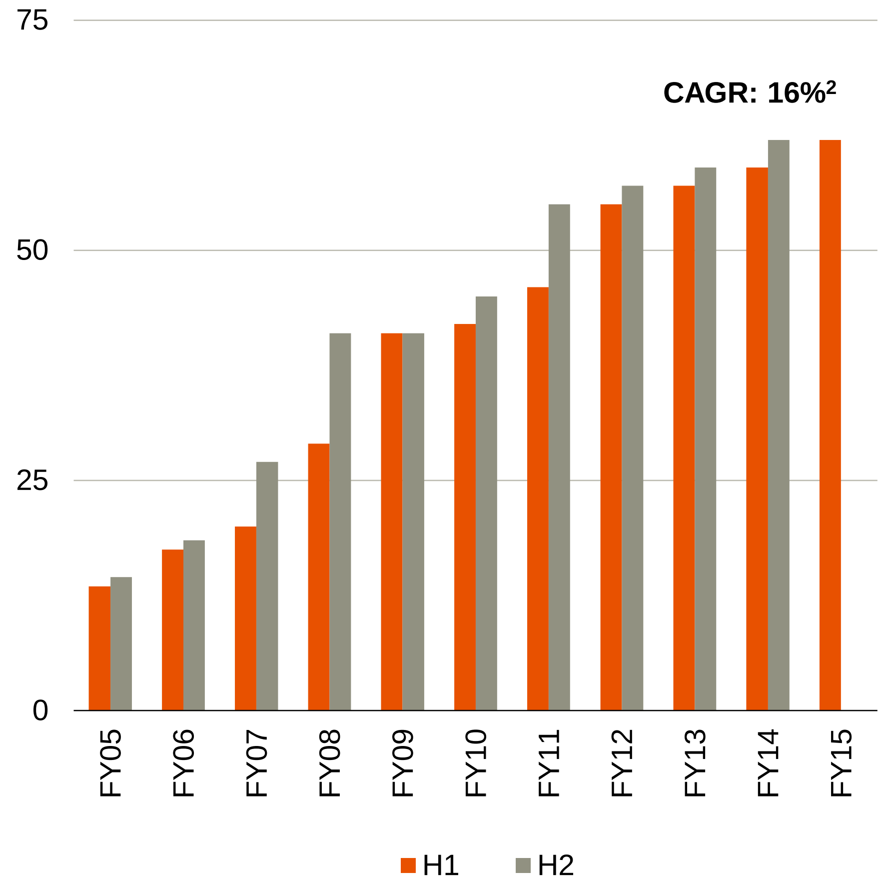
Diversified by commodity, geography and market
(core portfolio, FY14 % contribution)



Any dividends from South32 will represent additional cash returns to shareholders

- We remain committed to our policy to steadily increase or at least maintain our base dividend at each half yearly payment
- We do not plan to rebase the dividend post the demerger of South32, implying a higher payout ratio
- In addition, South32 intends to pay out a proportion of its Underlying Earnings as dividends to its shareholders[1]

We aim to maintain or grow the base dividend
(dividends determined, US cents per share)



1. Subject to South32's first two priorities for cash flow, being a commitment to maintain safe and reliable operations and an intention to maintain an investment grade credit rating through the cycle.
2. Refers to the compound annual growth rate (CAGR) over the period H1 FY05 to H1 FY15.

A demerger is the preferred approach to achieve simplification

- A demerger was selected as the preferred separation approach from the multiple alternative structures considered
- The Board believes the selected demerger is more likely to maximise value for shareholders than other alternatives, with more certainty and potentially lower costs
- Achieves significant simplification for BHP Billiton in a single step
- Opportunity for South32 to maximise the value of its assets through the adoption of a tailored strategy
- Greater investment choice for shareholders and ability to choose their level of investment in BHP Billiton and South32

Advantages of the demerger outweigh the disadvantages and risks

- The Board believes that the demerger has the potential to create more shareholder value than if the South32 assets were to remain within BHP Billiton
  - even greater focus on our core portfolio to drive substantial benefits in the longer term, beyond the US$4.0 billion per annum[1] in productivity-led gains already targeted
  - South32's dedicated Board and management team to pursue an independent business and investment strategy specifically tailored for its portfolio
- We expect the value of the cost savings arising from portfolio simplification *alone* to more than offset the demerger's one-off transaction costs
  - enables BHP Billiton to streamline its organisational model which is expected to result in ~US$100 million *per annum* cost savings[2], the value of which *exceeds*…
  - total one-off demerger-related costs of approximately US$738 million (of which US$339 million relates to stamp duty and cash tax)[3]
- South32 intends to implement a regional operating model, which is expected to generate cost savings in the near term that outweigh the additional costs of US$60 million per annum that South32 is expected to initially incur as a standalone company

Note: Figures presented on a pre-tax basis.

1. Represents planned annualised productivity-led gains to be delivered from our core portfolio only by the end of FY17, relative to FY14.
2. 90% of BHP Billiton's functional cost savings of US$100 million per annum are expected to be achieved by the end of FY17. One-off restructuring costs of ~US$55 million are expected to be incurred in connection with implementing these cost savings.
3. The one-off costs referred to are only estimates, and the actual costs incurred may differ from these estimated costs, and the difference may be significant. Further information is contained in the Shareholder Circular relating to the demerger.

Creating two great companies

- Our strategy has remained unchanged for over a decade and enabled us to deliver superior returns through the cycle
- Ongoing simplification of the portfolio has been, and for BHP Billiton will continue to be, a key driver of delivering and sustaining productivity improvements
- A demerger is the optimal structure for separating the South32 assets
- Following the demerger, BHP Billiton will be focused on its upstream, Tier 1 assets
- South32 will be a new diversified metals and mining company with a complementary portfolio of assets
- A joint electorate vote will be held on 6 May 2015
- The BHP Billiton Board recommends that shareholders vote in favour of the demerger

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Mineral or Coal Resource classifications

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Asset	Mineral or Coal Resources (Mt)			ROM conversion factors (%)	ROM production (Mt)	Resource life (years)	BHP Billiton interest (%)
	Measured	Indicated	Inferred				
Iron ore[1]							
WAIO	2,600 @ 60.0% Fe	5,600 @ 59.8% Fe	15,000 @ 59.0% Fe	66	250	60	88[2]
Samarco JV	3,000 @ 39.3% Fe	2,800 @ 37.2% Fe	1,700 @ 36.2% Fe	50	32	>100	50
Copper							
Escondida[3]	5,750 @ 0.65% Cu	4,070 @ 0.53% Cu	16,400 @ 0.48% Cu	100	148	>100	57.5
Pampa Norte[4]	860 @ 0.60% Cu	1,130 @ 0.48% Cu	1,100 @ 0.40% Cu	100	52	59	100
Olympic Dam[5]	1,220 @ 0.99% Cu, 0.30kg/t U3O8, 0.38g/t Au, 2g/t Ag	4,480 @ 0.82% Cu, 0.25kg/t U3O8, 0.30g/t Au, 2g/t Ag	3,850 @ 0.73% Cu, 0.25kg/t U3O8, 0.24g/t Au, 1g/t Ag	100	11	>100	100
Antamina	240 @ 0.91% Cu, 10g/t Ag, 0.60% Zn, 285ppm Mo	827 @ 0.88% Cu, 10g/t Ag, 0.74% Zn, 183ppm Mo	1,020 @ 0.82% Cu, 10g/t Ag, 0.61% Zn, 129ppm Mo	100	45	46	33.8
Nickel West[6]	360 @ 0.62% Ni	295 @ 0.58% Ni	357 @ 0.63% Ni	76	12	64	99
Coal							
Queensland Coal[7]	3,043	6,580	4,312	76	93	>100	56[8]
NSW Energy Coal	1,582	2,346	1,721	77	26	>100	100
Cerrejón	2,885	988	695	77	37	96	33.33
New Mexico Coal[9]	90	43	1	75	6	18	100
Potash							
Jansen	5,350 @ 25.7% K2O	-	1,270 @ 25.7% K2O	22	30[10]	48[10]	100

1. Tonnages are reported on a wet basis.
2. WAIO BHP Billiton interest is reported as Pilbara Ore Reserve tonnes weighted average across all Joint Ventures. BHP Billiton ownership varies between 85% and 100%.
3. Escondida includes Escondida, Escondida Norte, Pampa Escondida, Pinta Verde and Chimborazo, and assumes processing through existing or committed plant facilities.
4. Pampa Norte includes Spence and Cerro Colorado and assumes processing through existing plant facilities.
5. Mineral Resources include only ore types with copper mineralisation (i.e. gold bearing non-sulphides mineral category is excluded).
6. Reflects a 50% holding in Jericho resources.
7. Queensland Coal comprises the BHP Billiton Mitsubishi Alliance (BMA) asset, jointly operated with Mitsubishi, and the BHP Billiton Mitsui Coal (BMC) asset operated by BHP Billiton.
8. Interest represents the weighted average of BHP Billiton's ownership in Queensland Coal resources.
9. Includes San Juan only.
10. Based on aspirational potash capacity (10 Mtpa KCl) stated on a 100% basis.

Petroleum Inventory classifications

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Petroleum Reserves and Contingent Resources 2P+2C Resource life (years) and detail by category

	2P/2C (years)	1P (years)	2P (years)	1C (years)	2C (years)	FY14 production (MMboe)
Macedon	15.3	12.7	14.6	0.4	0.7	5.5
Pyrenees	8.6	5.1	7.8	0.3	0.8	7.5
Bass Strait	17.5	10.0	13.5	2.4	4.0	34.0
North West Shelf	14.4	10.0	10.8	2.6	3.5	28.8
Angostura	10.2	7.6	9.8	0.1	0.4	7.5
Shenzi	7.3	5.1	6.4	0.6	1.0	15.3
Atlantis	16.4	6.5	12.7	1.3	3.7	16.9
Mad Dog	90.3	18.8	26.0	26.6	64.3	3.1
Onshore US	76.8	11.6	42.7	14.2	34.1	108.1

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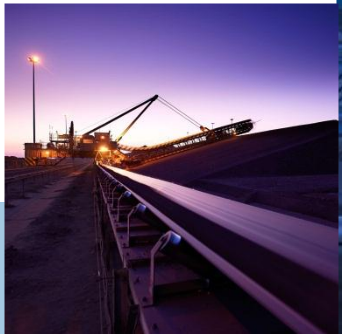
MAKING A DIFFERENCE FROM THE GROUND UP

GRAHAM KERR, CEO ELECT
MARCH 2015



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UK Financial Services and Markets Act 2000 approval

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Forward-looking statements

This presentation contains forward-looking statements, which may include statements regarding, among other things: trends in commodity prices and currency exchange rates; demand for commodities; plans, strategies and objectives of management; closure or divestment of certain operations or facilities (including associated costs); anticipated production or construction commencement dates; capital costs and scheduling; operating costs and shortages of materials and skilled employees; anticipated productive lives of projects, mines and facilities; provisions and contingent liabilities; tax and regulatory developments.

Forward-looking statements can be identified by the use of terminology such as 'intend', 'aim', 'project', 'anticipate', 'estimate', 'plan', 'believe', 'expect', 'may', 'should', 'will', 'continue', 'annualised' or similar words. These statements discuss future expectations concerning the results of operations or financial condition, or provide other forward-looking statements.

These forward-looking statements are not guarantees or predictions of future performance, and involve known and unknown risks, uncertainties and other factors, many of which are beyond our control, and which may cause actual results to differ materially from those expressed in the statements contained in this presentation. Readers are cautioned not to put undue reliance on forward-looking statements.

For example, future revenues from South32 operations, projects or mines described in this presentation will be based, in part, upon the market price of the minerals and metals produced, which may vary significantly from current levels. These variations, if materially adverse, may affect the timing or the feasibility of the development of a particular project, the expansion of certain facilities or mines, or the continuation of existing operations.

Other factors that may affect the actual construction or production commencement dates, costs or production output and anticipated lives of operations, mines or facilities include South32's ability to profitably produce and transport the minerals and/or metals extracted to applicable markets; the impact of foreign currency exchange rates on the market prices of the minerals or metals South32 produces; activities of government authorities in some of the countries where South32 is exploring or developing these projects, facilities or mines, including increases in taxes, changes in environmental and other regulations and political uncertainty; labour unrest; and other factors identified in the Disclosure Documents.

Except as required by applicable regulations or by law, neither BHP Billiton nor South32 undertakes any obligation publicly to update or review any forward-looking statements, whether as a result of new information or future events.

IMPORTANT INFORMATION AND DISCLAIMER (CONTINUED)

BHP Billiton non-IFRS financial information

BHP Billiton results which have been published in the Disclosure Documents are reported under International Financial Reporting Standards (IFRS) including Underlying EBIT and Underlying EBITDA which are used to measure segment performance. The Disclosure Documents and/or this presentation also include certain non-IFRS measures including Underlying EBIT margin, Underlying EBITDA margin, Net debt and Net operating assets. These measures are used internally by management to assess the performance of BHP Billiton business, make decisions on the allocation of BHP Billiton resources and assess operational management. Non-IFRS measures have not been subject to audit or review and should not be considered as an indication of or alternative to an IFRS measure of profitability, financial performance or liquidity.

South32 financial information

This presentation and the Disclosure Documents include historical combined financial information and pro forma financial information relating to South32. The historical combined financial information has been prepared by aggregating the historical financial information relating to the businesses that will be held by South32 as at the date of the demerger. The pro forma financial information has been prepared for the purpose of showing the impact of the demerger on South32's financial performance and position. Details of the basis of preparation and presentation of the South32 financial information are set out in the Disclosure Documents.

The South32 financial information in this presentation and/or the Disclosure Documents include references to Underlying Earnings, Underlying EBIT and Underlying EBITDA, which are used to assess the performance of South32 and its businesses. Underlying EBITDA and Underlying EBIT are calculated based on the accounting policy that South32 proposes to use when discussing its operating results in future periods. The accounting policy proposed by South32 for calculating these measures differs from that currently used by BHP Billiton. Further information on the calculation of these measures is set out in the Disclosure Documents.

Presentation of data

Unless specified otherwise, all references to Underlying EBIT, Underlying EBITDA, Underlying EBIT margin and Underlying EBITDA margin include third party trading activities.

Unless specified otherwise, production volumes, sales volumes and capital and exploration expenditure from subsidiaries are reported on a 100 per cent basis; production volumes, sales volumes and capital and exploration expenditure from equity accounted investments and other operations are reported on a proportionate consolidation basis.

Reliance on third-party information

The views expressed in this presentation contain information that has been derived from publicly available sources that have not been independently verified. No representation or warranty is made as to the accuracy, completeness or reliability of the information. This presentation should not be relied upon as a recommendation or forecast by BHP Billiton or South32.

No financial or investment advice – South Africa

BHP Billiton and South32 do not provide any financial or investment 'advice', as that term is defined in the South African Financial Advisory and Intermediary Services Act 37 of 2002, and we strongly recommend that you seek professional advice.

No SEC or Exchange Act registration – United States

The demerger of South32 from BHP Billiton will not be registered with the US Securities and Exchange Commission (SEC) under the US Securities Act of 1933, as amended. BHP Billiton expects South32 to qualify for the exemption from registration under Rule 12g3-2(b) of the US Securities Exchange Act of 1934, as amended ('Exchange Act'), and accordingly the South32 shares will not be registered under the Exchange Act and South32 will not be subject to the reporting requirements of the Exchange Act.

A NEW COMPANY FROM THE GROUND UP

- An experienced board and management team with clearly defined strategic priorities
- A cash generator with high quality metals and mining assets competitively positioned in their respective cost curves
- A lean operating model designed to further reduce costs and increase productivity
- A simple approach to capital management underpinned by a commitment to maximise total shareholder returns
- Well positioned to pursue investments that meet strict financial criteria

AN EXPERIENCED BOARD AND MANAGEMENT TEAM

Board[1]

Keith Rumble
Independent Non-executive Director

David Crawford
Chairman and Independent Non-executive Director

Xolani Mkhwanazi
Non-executive Director

Chief Executive Officer and Executive Director
Graham Kerr

Chief Operating Officer - Australia
Ricus Grimbeek

Chief Operating Officer - Africa
Mike Fraser

Chief Commercial Officer

Chief Financial Officer
Brendan Harris

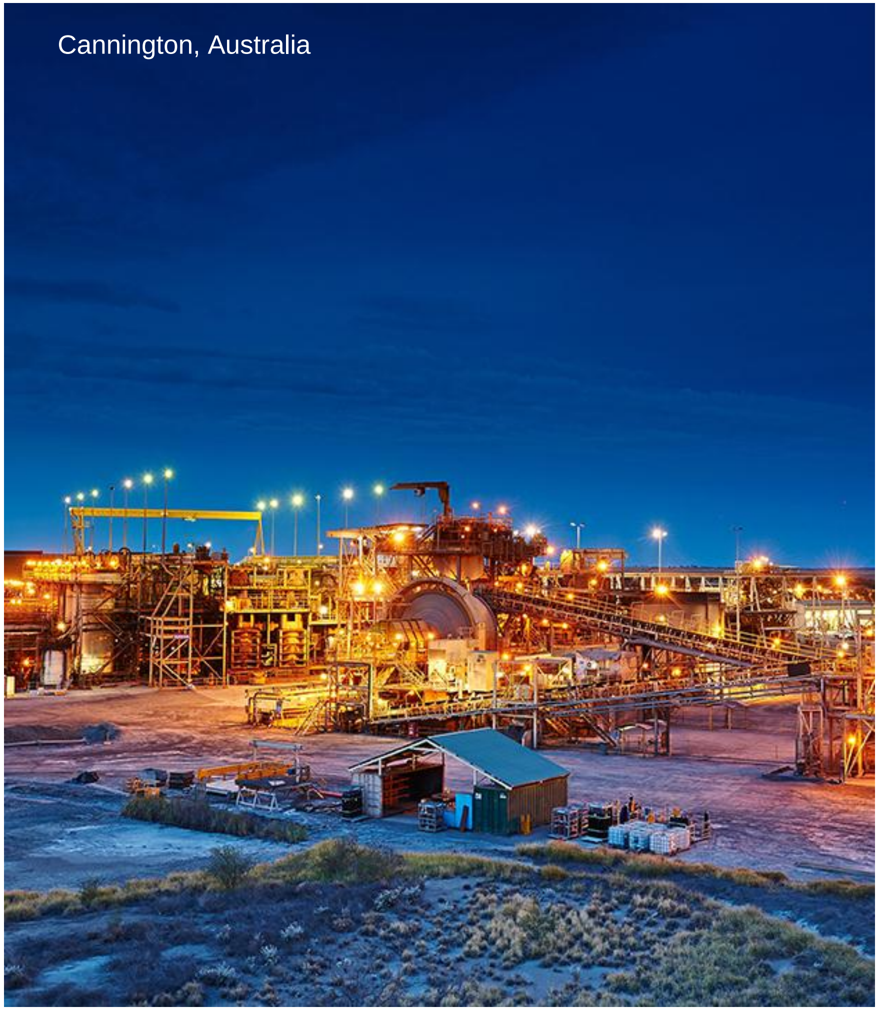
Chief People Officer
Jo McConnell (Acting)

Chief Legal Officer & Company Secretary
Nicole Duncan

[1] *Further Board members to be appointed in time.*

CLEARLY DEFINED STRATEGIC PRIORITIES

- Establish a distinctive, powerful culture and identity
- Enhance environmental, health, safety and social programs
- Embed a lean operating model that is aggregated at the regional level
- Reduce costs and improve productivity
- Create strong alignment with investors
- Develop and pursue investment opportunities
- Continually seek to optimise the portfolio


Cannington, Australia

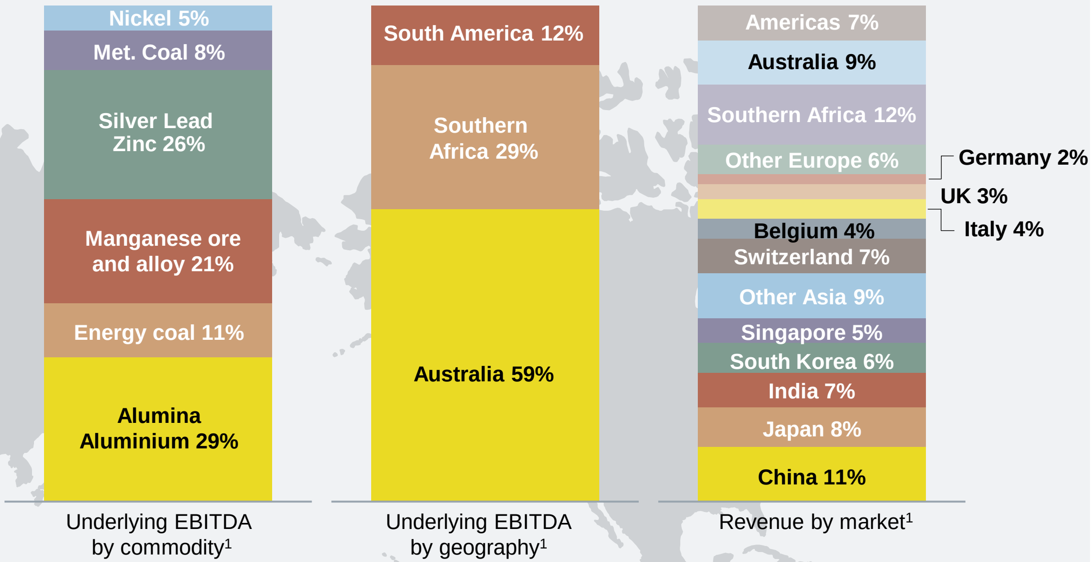
A FOCUS ON SUSTAINABILITY WILL BE A SOURCE OF FUTURE COMPETITIVE ADVANTAGE

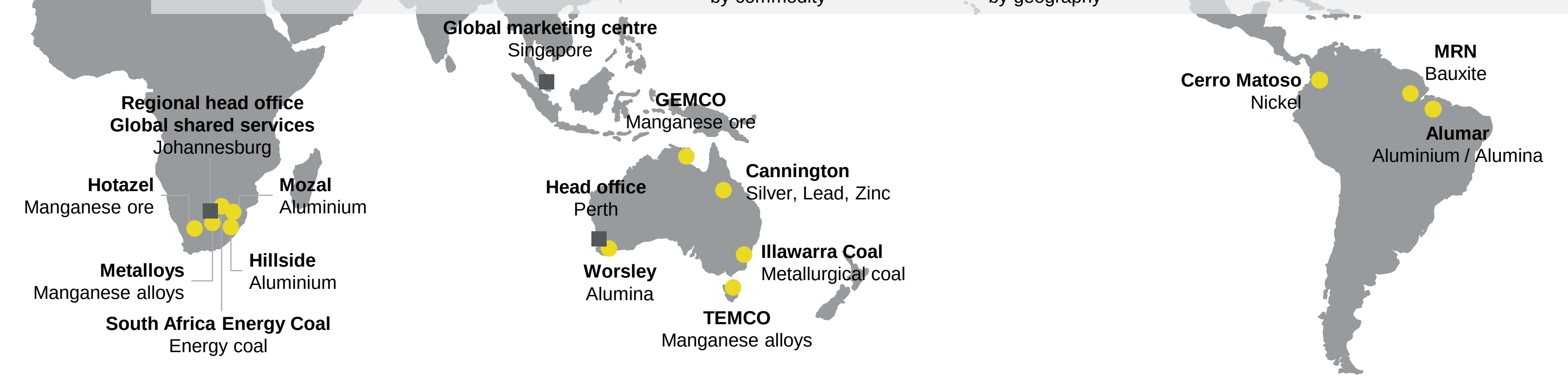
- Aim to continuously improve safety performance
  - Aspire to have no person hurt at work
- Be socially and environmentally responsible, providing a better future for host communities
- Seek to minimise the environmental impact of operations
  - Energy efficiency
  - Biodiversity and land management
  - Water resource management
- Promote a diverse and inclusive workplace


South Africa Aluminium, South Africa

A GLOBALLY DIVERSIFIED METALS AND MINING COMPANY

- Operations in Australia, Southern Africa and Colombia
- Non-operated JV interests in Brazil
- Strongly diversified by commodity and customer
  - US$8.3b of revenue in FY2014[1]
- Proposed listings on the ASX, JSE and LSE[2]



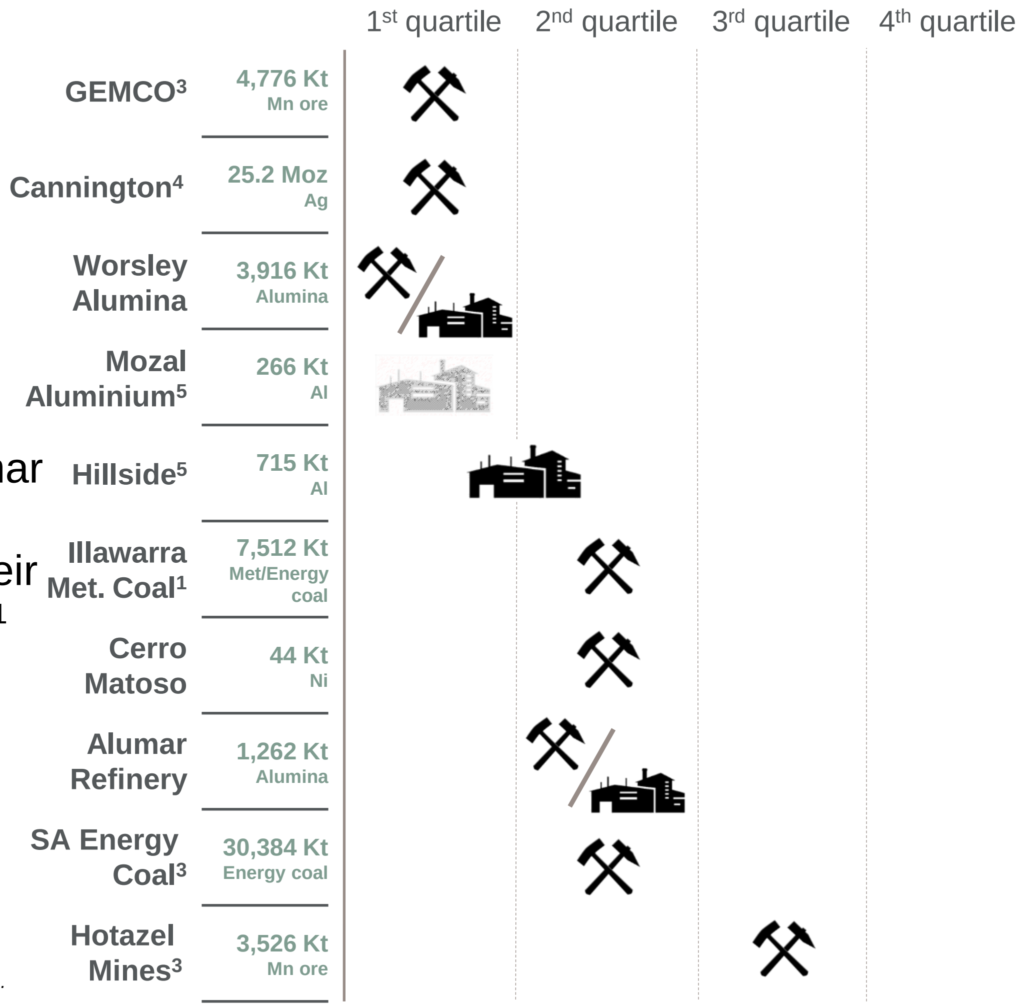


[1] Based on FY2014. Manganese revenue and Underlying EBITDA presented on a proportional consolidation (60 per cent) basis. Revenue by market represents location of customer.
[2] An OTC ADS program will also be established for South32.

HIGH QUALITY ASSETS COMPETITIVELY POSITIONED IN THEIR RESPECTIVE COST CURVES

- Leading assets in the first quartile of industry cost curves
  - GEMCO: largest Mn ore producer
  - Cannington: largest silver producing mine
  - Worsley Alumina: one of the largest alumina refineries
- Hillside, Mozal Aluminium, Illawarra Metallurgical Coal, Cerro Matoso, Alumar Refinery and South Africa Energy Coal are also large and well positioned in their respective industry cost/margin curves[1]

Industry cost/margin[1] curve position and FY2014 production for key South32 assets[2]



Source: Wood Mackenzie, CRU and AME Group data based on CY2013 production
[1] Represents operating cash cost quartile position, with the exception of Illawarra Metallurgical Coal which is represented as the position on the industry margin curve to account for coal quality differentials.
[2] Production figures are South32 share, unless otherwise stated.
[3] On a 100% basis.
[4] Cost quartile position on a co-product basis
[5] Cash cost position based on Wood Mackenzie Aluminium smelter costs release 2014 Q4. As per South32's financial statements and as outlined in section 7.1 (b) and (c) of the South32 Listing Documents the unit operating costs of Mozal Aluminium have been higher than those of Hillside.

HIGH QUALITY ASSETS COMPETITIVELY POSITIONED IN THEIR RESPECTIVE COST CURVES

- Leading assets in the first quartile of industry cost curves
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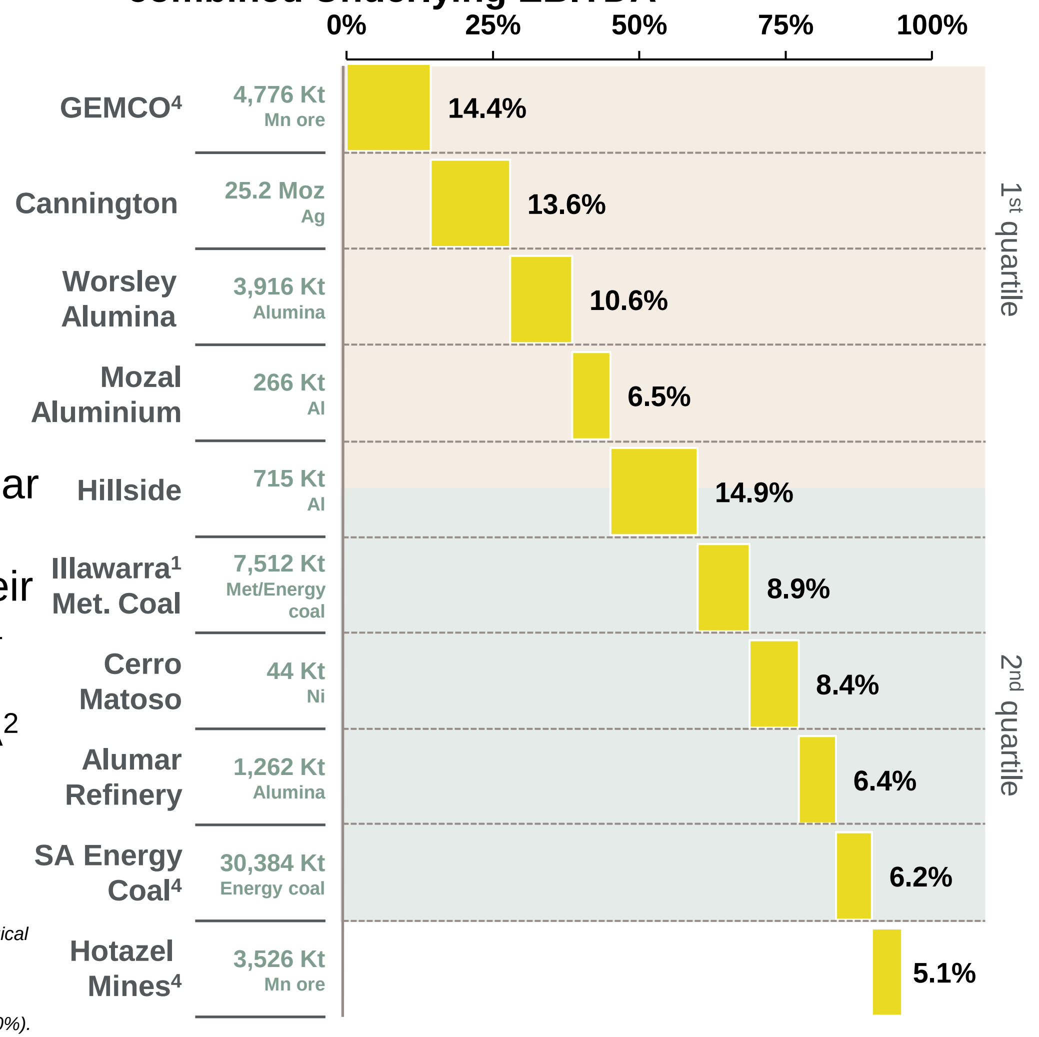
  - Cannington: largest silver producing mine
  - Worsley Alumina: one of the largest alumina refineries
- Hillside, Mozal Aluminium, Illawarra Metallurgical Coal, Cerro Matoso, Alumar Refinery and South Africa Energy Coal are also large and well positioned in their respective industry cost/margin curves[1]
- 90% of H1 FY2015 Underlying EBITDA[2] generated by first and second quartile assets

Contribution of key South32 assets[3] to H1 FY2015 combined Underlying EBITDA[2]



Source: Wood Mackenzie, CRU and AME Group data based on CY2013 production
[1] Represents operating cash cost quartile position, with the exception of Illawarra Metallurgical Coal which is represented as the position on the industry margin curve to account for coal quality differentials.
[2] 100% Underlying EBITDA (excluding Third party products and Group and unallocated) includes TEMCO: US$21m (1.6%), Metalloys: US$(6)m and Alumar Smelter: US$54m (4.0%).
[3] Production figures are South32 share, unless otherwise stated.
[4] On a 100% basis.

HIGH QUALITY ASSETS COMPETITIVELY POSITIONED IN THEIR RESPECTIVE COST CURVES

- Leading assets in the first quartile of industry cost curves
  - GEMCO: largest Mn ore producer
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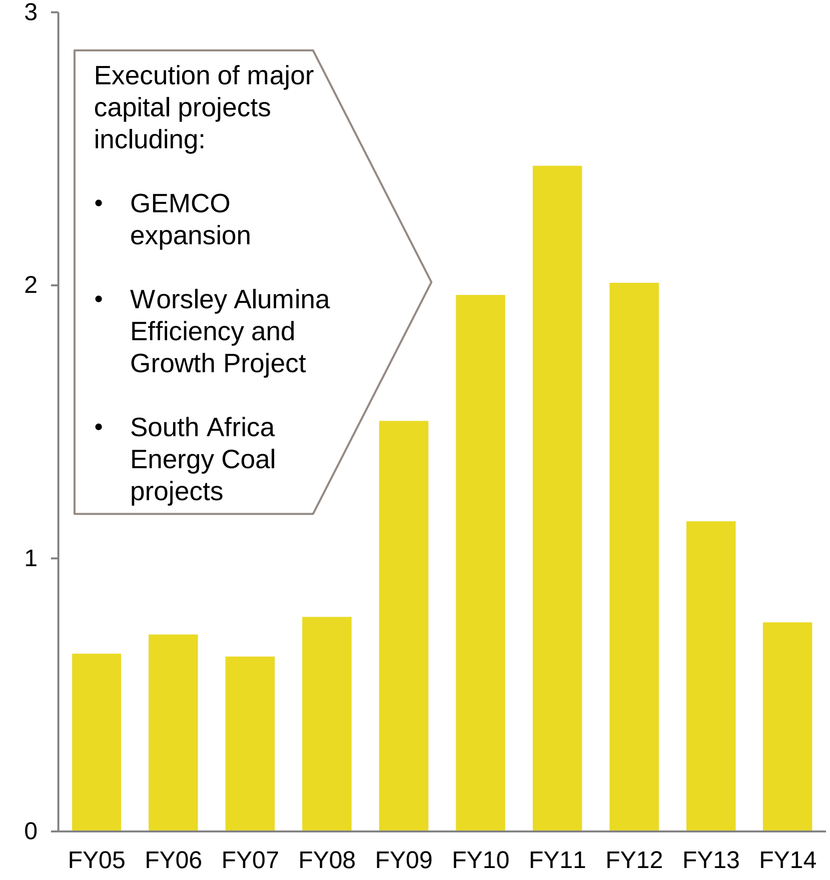
- Hillside, Mozal Aluminium, Illawarra Metallurgical Coal, Cerro Matoso, Alumar Refinery and South Africa Energy Coal are also large and well positioned in their respective industry cost/margin curves[1]
- 90% of H1 FY2015 Underlying EBITDA[2] generated by first and second quartile assets
- These assets have been well maintained and have significant resource lives

Historical combined total capital expenditure[3] (US$b)

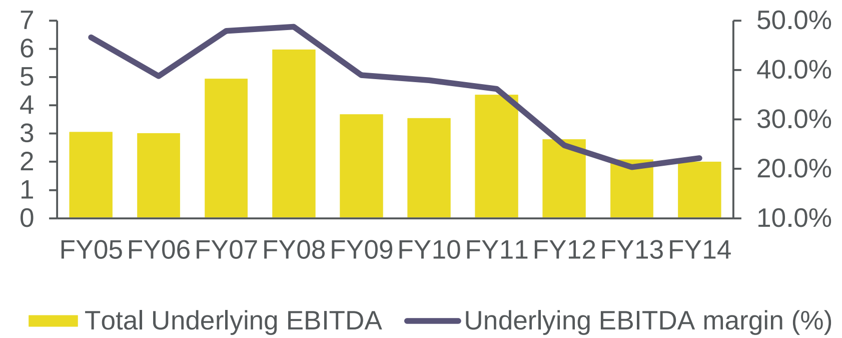


[1] Represents operating cash cost quartile position, with the exception of Illawarra Metallurgical Coal which is represented as the position on the industry margin curve to account for coal quality differentials.
[2] Underlying EBITDA (excluding Third party products and Group and unallocated).
[3] Capital expenditure for FY2012 to FY2014 is based on historical combined financial information for South32 included in Annexure 1 of the South32 Listing Documents. For the period FY2005 to FY2011 capital expenditure is based on information previously published by BHP Billiton as unaudited supplementary financial information released as part of BHP Billiton's results announcements.

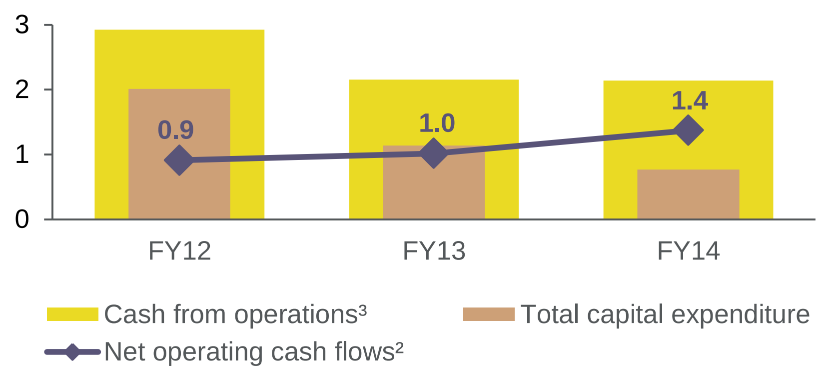
A CASH GENERATOR THROUGH THE CYCLE

- Combined Underlying EBITDA[1] of more than US$2.0b p.a. over the last decade
  - Average Underlying EBITDA margin[1] of 36% over the last decade
- Cash from operations has significantly exceeded capital expenditure
  - Net operating cash flows before financing activities and tax and after capital expenditure of US$1.4b in FY2014 [2]

Historical combined Underlying EBITDA and margin[1]
(US$b, %)



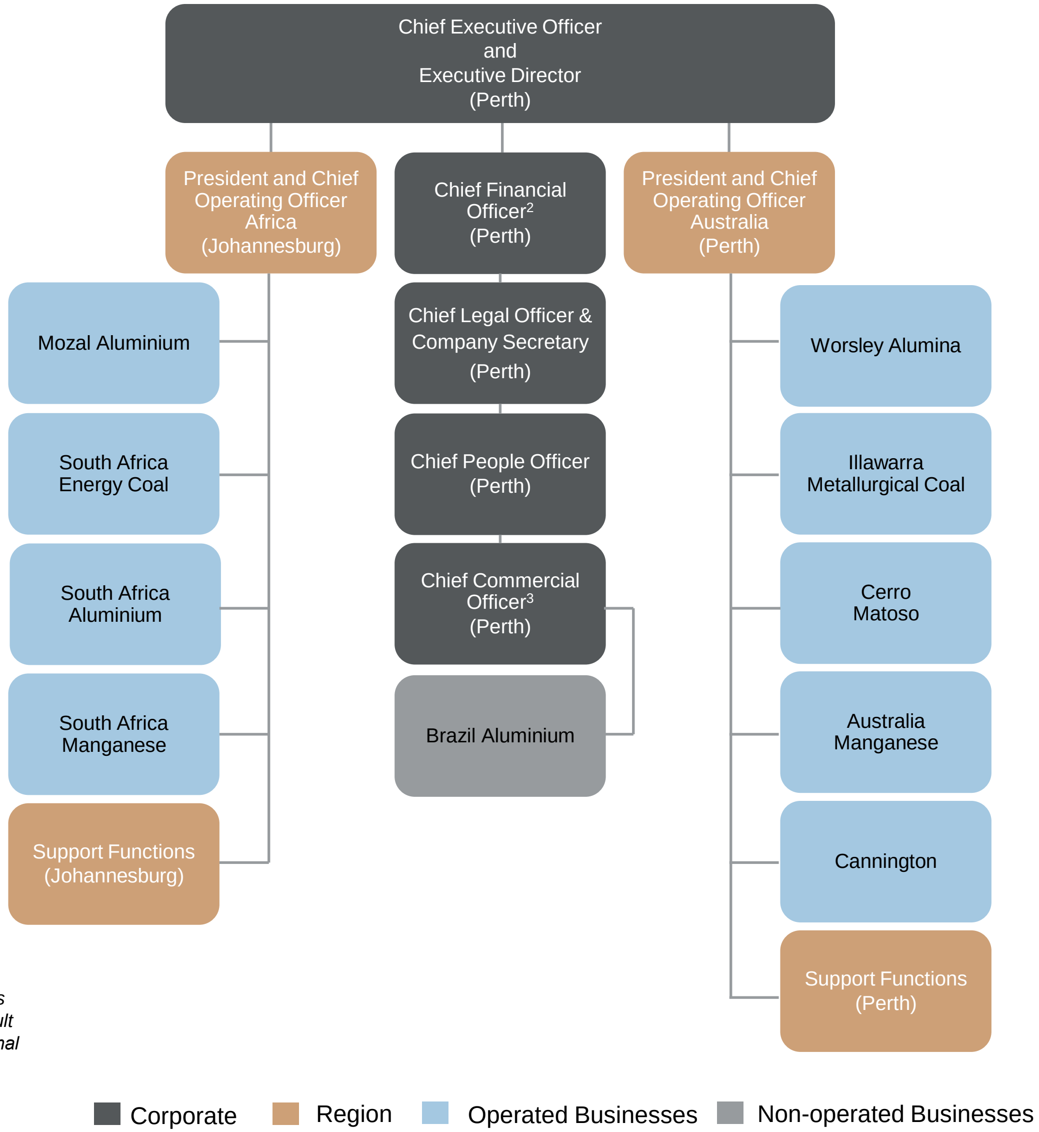
Historical combined cash generation and capital expenditure
(US$b)



[1] Underlying EBITDA is earnings before depreciation and amortisation, net finance costs, taxation and any earnings adjustment items. Underlying EBITDA and margin excludes third party product sales and group and unallocated items.
[2] Net operating cash flows before financing activities and tax and after capital expenditure. On a pro forma basis, net operating cash flows before financing activities and tax and after capital expenditure would be US$1,035m in FY2014.
[3] Cash generated from operations including dividends received (including from equity accounted investments).

A LEAN OPERATING MODEL DESIGNED TO FURTHER REDUCE COSTS AND INCREASE PRODUCTIVITY

- A focused and lean corporate structure
- Functional support will be aggregated at the regional level
  - Reduces a layer of management
  - Facilitates greater alignment with regional stakeholders
- Overhead cost savings from implementation of the regional model are expected to outweigh the costs of establishing South32's corporate centre[1]



[1] The financial accounts included in the South32 Listing Documents do not include the costs that will be incurred when South32 establishes its corporate centre. This is expected to result in a US$60m per annum increase in costs, although the implementation of South32's regional model is expected to deliver cost savings of a greater amount.
[2] Shared services center (Johannesburg) reports to the CFO.
[3] Marketing (Singapore) reports to the CCO.

WELL POSITIONED TO PURSUE INVESTMENTS THAT MEET STRICT FINANCIAL CRITERIA

SOUTH32

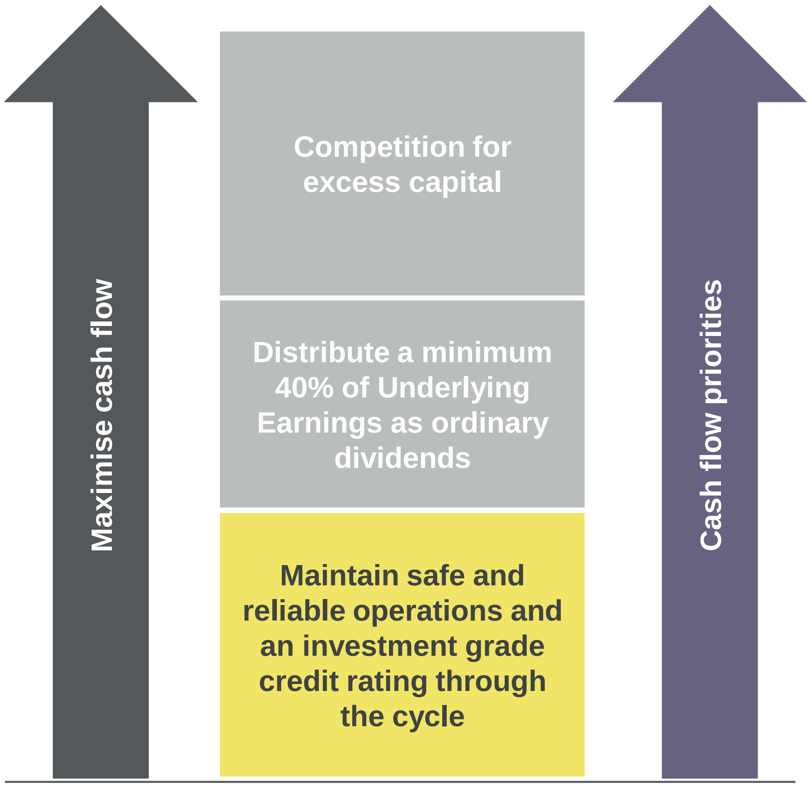
- A strong Balance Sheet and investment grade credit rating are core to the strategy
  - Opening net debt of ~US$0.7b[1]
  - Closure and rehabilitation provisions of ~ US$1.5b[1] also transfer to South32
- Significant liquidity from day one
  - US$1.5b revolving syndicated bank facility
- Expected to have the financial strength and flexibility required to pursue investments that meet strict financial criteria

Options Under Analysis[2]	Definition (Feasibility)	Project Execution
1 **Cannington** Silver, Lead, Zinc *Mine life extension*	4 **South Africa Energy Coal** Energy coal *Klipspruit Extension* *Khutala Life Extension*	5 **Hotazel** Manganese Ore *Wessels central block*
2 **South Africa Energy Coal** Energy Coal *Leandra project* *Naudesbank project*		6 **GEMCO** Manganese Ore *Premium Concentrate Projects*
3 **MRN** Bauxite *Mine life extension*		7 **Illawarra Met. Coal** Metallurgical coal *Appin Area 9*

[1] *Based on pro forma financial information. Net debt includes finance leases but does not include the fair value of South32's non-current derivatives.*
[2] *List does not comprise all options under analysis.*

A SIMPLE APPROACH TO CAPITAL MANAGEMENT

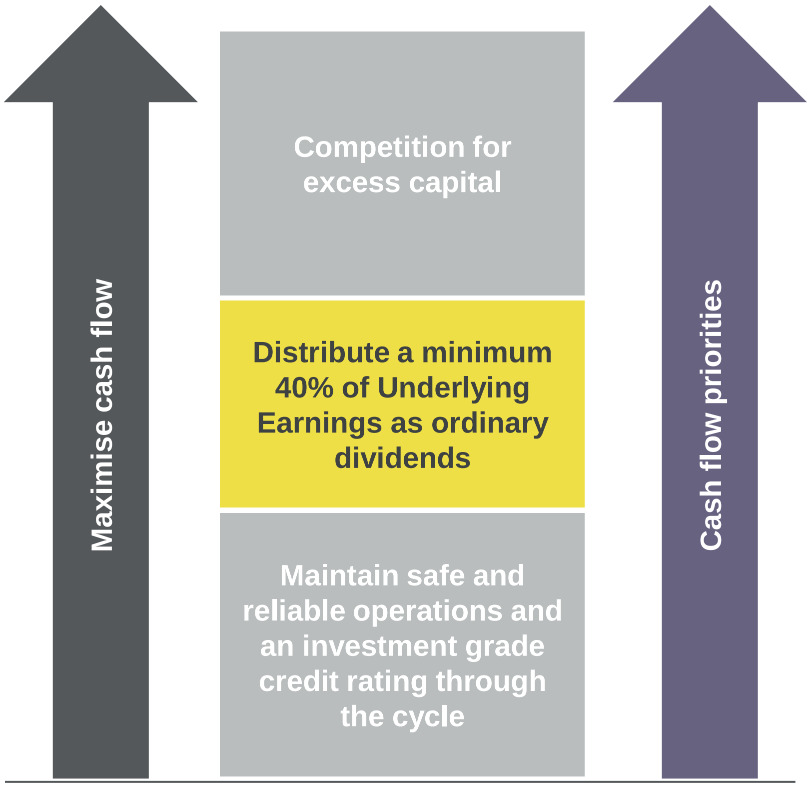
- Well defined priorities for cash flow
  - Maintain safe and reliable operations and an investment grade credit rating through the cycle



Note: South32 will distribute dividends with the maximum practicable franking credits for the purposes of the Australian dividend imputation system. The extent to which any dividend can be franked will depend on South32's franking account balance and its level of distributable profits. South32's franking account balance will depend on the amount of Australian income tax paid by South32 following the demerger. No assurance can be given in relation to the level of future dividends or the franking of such dividends (if any) as these will depend on future events and circumstances.

A SIMPLE APPROACH TO CAPITAL MANAGEMENT

- Well defined priorities for cash flow
  - Maintain safe and reliable operations and an investment grade credit rating through the cycle
  - Shareholder dividends
    - Intention to distribute a minimum of 40% of Underlying Earnings as dividends following each six month reporting period[1]



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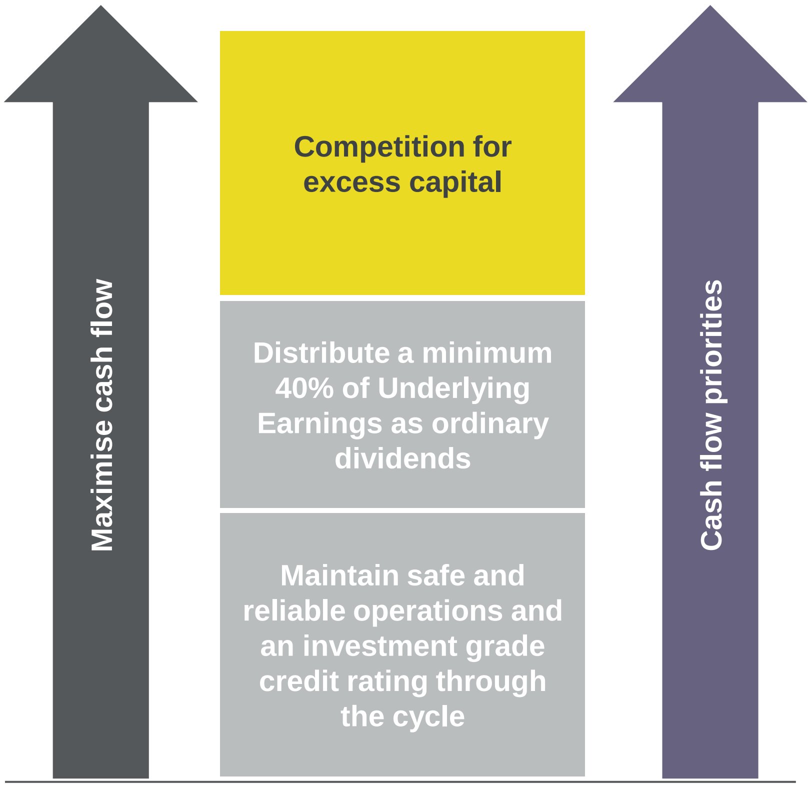
[1] Dividends will be declared in US dollars consistent with South32's reporting currency.

A SIMPLE APPROACH TO CAPITAL MANAGEMENT

- Well defined priorities for cash flow
  - Maintain safe and reliable operations and an investment grade credit rating through the cycle
  - Shareholder dividends
  - Excess capital to be allocated to the option that maximises total shareholder returns
    - › Special dividends
    - › Share buy backs
    - › High return investments that meet strict financial criteria



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- Well positioned to pursue investments that meet strict financial criteria

SOUTH32

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resourcing the future