Mr Jac Nasser  
Chairman  
BHP Billiton Limited  
171 Collins Street  
Melbourne, Victoria 3000

17 November 2014

Dear Chairman

Questions received in advance of the Annual General Meeting

We have been notified that BHP Billiton Limited (the “Company”) has received a number of questions from shareholders directed to the auditor in advance of the BHP Billiton Limited Annual General Meeting (“AGM”) to be held on 20 November 2014.

We set out the questions and our formal responses in Appendix One and seek permission to table the written answers at the AGM. This document constitutes the “question list” prepared in accordance with section 250PA of the Corporations Act 2001 (the Act). If permission is granted, section 250T of the Act requires these responses to be made available to shareholders as soon as practicable after the AGM. Please note that we have reproduced the questions exactly as they were received by Company Secretariat.

Please contact me should you wish to discuss any of the questions or answers in more detail.

Yours faithfully

[Signature]

Martin Sheppard  
Partner
Appendix One – Shareholders’ questions directed to the auditor and KPMG’s formal responses

Introduction

The Corporations Act 2001 offers members an opportunity to submit written questions to the auditor prior to the AGM on:

a) the content of the auditors' report to be considered at the AGM; or
b) the conduct of the audit of the annual financial report to be considered at the AGM.

In our view, the following two questions relate to the conduct of the audit and we have responded accordingly.

Question 1

In light of media reports concerning financial irregularities which have come to light subsequent to auditors favourable approval of finances with some publicly listed companies how can shareholders be sure that BHP auditors are not just ‘rubber stamping’ financial results?

Question 2

Why do you not audit the accounts fairly so governments are given their fair share of tax?

KPMG Observation

We provide the following observations in response to questions 1 and 2

An audit of financial statements is performed in accordance with auditing standards which contain detailed guidance regarding the nature, scope and execution of an audit. In this case the applicable auditing standards are:

• Australian Auditing Standards;
• International Standards on Auditing (UK and Ireland); and
• Public Company Accounting Oversight Board (PCAOB) standards,

and is designed to enable the auditor to conclude whether or not the financial statements have been prepared, in all material respects, in accordance with a specified basis of accounting.

In this case, the specified basis includes:

• Australian Accounting Standards, being Australian equivalents to International Financial Reporting Standards and interpretations as issued by the Australian Accounting Standards Board (AASB) effective as of 30 June 2014;
• International Financial Reporting Standards and interpretations as adopted by the European Union (EU) effective as of 30 June 2014; and
• International Financial Reporting Standards and interpretations as issued by the International Accounting Standards Board effective 30 June 2014.

Audit procedures are designed to obtain reasonable, but not absolute, assurance regarding the financial statements taken as a whole. An audit does not enable the auditor to express an opinion on the individual elements of financial statements including assets, liabilities, disclosures or transactions contained within those financial statements (e.g. current and deferred taxes), rather the audit opinion is expressed over the financial statements as a whole.

The key risk areas we identified for our audit, as well as the procedures performed to address each of the risk areas are set out within our audit report, along with the materiality threshold that we applied.

In light of the procedures performed during the course of our audit, we were able to express an unmodified opinion on the financial statements, which implies that the financial statements taken as a whole are appropriately prepared in accordance with applicable accounting standards.

Shareholder Questions

The following questions were also submitted in writing to the Company, marked for the auditor. We do not consider that these questions relate to the content of the auditors’ report or the conduct of the audit, and therefore we have not responded to them. We have reproduced these questions exactly as they were received by Company Secretariat.

1. How long before share price reaches pre-2008 values?
2. When will steps be taken to substantially increase dividend payments?
3. Are you sure that remuneration of CEO and directors is not excessive?
4. Please advise tax minimization that BHP is doing.
5. Why is there not a thing to have shares instead of getting a dividend?
6. Why are we not going back into making steel like we did years ago?
7. Why send shareholder pack a short version will do.
8. Who are the highest paid non-executive staff on the payroll.
9. When will BHP (re)introduce the dividend reinvestment plan to shareholders? Not everyone wants cash dividends.
10. How come the management of BHP Billiton don’t hold any AGMs in Melbourne, even though the Company’s Head Office is in Melbourne. If I remember correctly, the last AGM in Melbourne was in 2009?
11. Is BHP a good corporate citizen with regards to paying their fair share of tax?
12 There is a great number of directors. I think the number should be audited, and steps made to reduce the number if appropriate.

13 Why have BHP shares dropped from $49 down to $32.50.

14 Why doesn’t BHP have a buy back of shares?

15 Will the splitting of the company add value to shareholders in the medium term (ie. 5 years)?

16 Give shareholders the right to (dividend reinvestment) not cash.

17 All shareholder’s I have been speaking to want (DRP) and not cash.

18 (DRP) to all share holders to give the right to participate. To hold or sell part or all or none or keep and accumulate their shares when they want.

19 Looking for better dividend return on the company performance.

20 When are you going to introduce a DRP?

21 Remuneration for directors should only be on a share performance basis and when iron ore prices have recovered to a reasonable level. There are far to many directors on substantial salaries that are unjustified.

22 I wish to change my dividend payments from my BHP shares from cash dividends to dividend reinvestment of more BHP shares. Is this still not an option? Thanks

23 Why are the directors wanting more remuneration. They earn enough.

24 Why is it that BHP Billiton have not issued more shares or made available shares at a discount to long standing shareholders.

25 Why is it that the company has not employed more people as apprentices. No ifs or buts just do it.

26 Stop hiring shiftly people on 457 work visas. Hire Australians and stop telling furfies.

27 Please watch company reps who instruct contractors to ‘never mind and get the job done’ to change attitude.

28 Please continue to train AUSTRALIANS to improve standards of safety.

29 Try to look after contractors as they are humans and must be treated equally and get off high horse. (Pomnie supervisor attitude).

30 Be very mindful employing 457 cheap labour as it will bite you back.

31 I cannot believe that Directors who go into the board of BHP Billiton want extra money on top of their agreed wages. I am against ripping the system off.

32 Please employ Australians and stop the 457 system of employing people unless it is absolutely necessary.
33 How about a share issue like in the old days. Say one for seven or one for ten.
34 Please make sure the mental health issues are handled professionally in the work camps. These people are human.
35 What is BHP doing to hedge currency risk?
36 I think we should have a royal commission into tax evasion. And a royal commission into business corruption.
37 Why not disclose the directors remuneration policy?
38 Item I - no extra benefits to any current or future management or executive BHP member should be granted. They get paid a wage and that should be enough. If they expect extra entitlements then they are taking the shareholders down its called greed.
39 Item II - We do not approve of awards given to any executive or any committee member or director. If they do not like their existing wage then they should not stand! Money for nothing and should feel ashamed to accept them.
40 Will BHP ever offer buy shares from ex-employees without the huge charge to sell shares?
41 Why is return on investment only 3.7% it should be as high as banks dividend at 8.9%
42 BHP has vast amounts of companies and resource and should return a greater return to shareholders not just to managers and others but the people who put their money in the company to improve it.
43 Why can’t you pay higher dividends to the shareholders.
44 I want dividend increased.
45 Water irrigation. Through the centre of Australia if this is going into the twenty first century. Nothing survives without the essential need of water. We must speculate to accumulate. Our need for this essential need. For Australia is the driest continent in the world. We must feed our people plus the Asian market, the world cattle, fresh food all year round ‘good food’, good people. We have the brains, we have the tackle to carry on with this, in the twenty first century. M.M.M. ‘Money Makes Money’. Populate and perish, survive and irrigation. We have the twenty first century equipment. Water or perish. Urgent. ‘Speculate to accumulate’.
46 What is BHPB’s effective tax rate?
47 Executive remuneration increases as a percentage of existing benefits.
48 Staff salary increases as a percentage of existing salary.
49 Why are we paying remuneration when shares are not performing?
50 What is the total cost to have so many directors?
51 Will BHP increase investment in viable renewable energy projects to enhance its sustainability charter of values in response to the IPCC assessment of irreversible impacts of climate change?