BMO Farm to Market Conference

David Lamont  Chief Financial Officer
Disclaimer

Forward-looking statements

This presentation contains forward-looking statements, including statements regarding: trends in commodity prices and currency exchange rates; demand for commodities; production forecasts; plans, strategies and objectives of management; assumed long-term scenarios; potential global responses to climate change; the potential effect of possible future events on the value of the BHP portfolio; closure or divestment of certain assets, 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; and tax and regulatory developments. Forward-looking statements may be identified by the use of terminology, including, but not limited to, ‘intend’, ‘aim’, ‘project’, ‘anticipate’, ‘estimate’, ‘plan’, ‘believe’, ‘expect’, ‘may’, ‘should’, ‘will’, ‘would’, ‘continue’, ‘annualised’ or similar words. These statements discuss future expectations concerning the results of assets or financial conditions, or provide other forward-looking information.

These forward-looking statements are based on the information available as at the date of this presentation and the date of the Group’s planning processes or scenario analysis processes. There are inherent limitations with scenario analysis and it is difficult to predict which, if any, of the scenarios might eventuate. Scenarios do not constitute definitive outcomes for us. Scenario analysis relies on assumptions that may or may not be, or prove to be, correct and may or may not eventuate, and scenarios may be impacted by additional factors to the assumptions disclosed. Additionally, 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. BHP cautions against reliance on any forward-looking statements or guidance, particularly in light of the current economic climate and the significant volatility, uncertainty and disruption arising in connection with COVID-19.

For example, our future revenues from our assets, projects or mines described in this release 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 assets. Other factors that may affect the actual construction or production commencement dates, costs or production output and anticipated lives of assets, mines or facilities include our ability to profitably 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 produce; activities of government authorities in the countries where we sell our products and in the countries where we are exploring or developing projects, facilities or mines, including increases in taxes; changes in environmental and other regulations; the duration and severity of the COVID-19 pandemic and its impact on our business; political uncertainty; labour unrest; and other factors identified in the risk factors discussed in BHP’s filings with the U.S. Securities and Exchange Commission (the ‘SEC’) (including in Annual Reports on Form 20-F) which are available on the SEC’s website at www.sec.gov.

Except as required by applicable regulations or by law, BHP does not undertake to publicly update or review any forward-looking statements, whether as a result of new information or future events. Past performance cannot be relied on as a guide to future performance.

Presentation of data

Nothing presented may not add up precisely to the totals provided due to rounding.

No offer of securities

Nothing in this presentation should be construed as either an offer or a solicitation of an offer to buy or sell any securities, or a solicitation of any vote or approval, in any jurisdiction, or be treated or relied upon as a recommendation or advice by BHP. No offer of securities shall be made in the United States absent registration under the U.S. Securities Act of 1933, as amended, or pursuant to an exemption from, or in a transaction not subject to, such registration requirements.

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.

BHP and its subsidiaries

In this presentation, the terms ‘BHP’, the ‘Company’, the ‘Group’, ‘our business’, ‘organisation’, ‘Group’, ‘we’, ‘us’ and ‘our’ refer to BHP Group Limited, BHP Group Plc and, except where the context otherwise requires, their respective subsidiaries set out in note 13 ‘Related undertaking of the Group’ in section 5.2 of BHP’s Annual Report and Form 20-F. Those terms do not include non-operated assets. This presentation includes references to BHP’s assets (including those under exploration, projects in development or execution phases, sites and closed operations) that have been wholly owned and/or operated by BHP and that have been owned as a joint venture operated by BHP (referred to as ‘operated assets’ or ‘operations’) during the period from 1 July 2020 to 30 June 2021. Our functions are also included. BHP also holds interests in assets that are owned as a joint venture but not operated by BHP (referred to in this release as ‘non-operated joint ventures’ or ‘non-operated assets’). Our non-operated assets include Antamina, Cerrejón, Samarco, Atlanta, Mad Dog, Bass Strait and North West Shelf. Notwithstanding that this presentation may include production, financial and other information from non-operated assets, non-operated assets are not included in the Group and, as a result, statements regarding our operations, assets and values apply only to our operated assets unless otherwise stated. References in this presentation to a ‘joint venture’ are used for convenience to collectively describe assets that are not wholly owned by BHP. Such references are not intended to characterise the legal relationship between the owners of the asset.
BHP: Sector leading assets across our commodities

We are actively managing our portfolio for long-term value creation through the cycle

Maximising value

**Iron ore**  Lowest cost major producer\(^1\) with expansion potential if market conditions warrant

**Metallurgical coal**  World-class operations producing higher quality steel-making coal

Increasing exposure to future facing commodities

**Copper**  Largest resource endowment of any company globally, amongst the highest average grade

**Nickel**  Second largest nickel sulphide resource with ~90% of nickel metal sales to the electric vehicle supply chain

**Potash**  Significant expansion potential to support up to a century of production in the world’s best potash basin

---

Demonstrated bulk logistics expertise

**Western Australia Iron Ore**

- FY21 material moved: 616 Mt\(^*\)
- FY21 production: 284 Mt\(^*\)
- >1,000 km rail
- ~1,500 ships loaded/year

**BHP Mitsubishi Alliance**

- FY21 material moved: 2,081 Mt\(^*\)
- FY21 production: 64 Mt\(^*\)
- ~50 years working with third party rail
- ~760 ships loaded/year

---

\(^1\)100% basis.
Potash and Jansen fit our strategy

Modern, long-life, expandable will support long-term value and returns

**Attractive future facing commodity**
- Reliable base demand leveraged by population growth and higher living standards
- Low emission, biosphere friendly and positively leveraged to decarbonisation
- Strong fundamentals and mature existing asset base offers an attractive entry opportunity

**World class asset**
- Increases diversification of commodity, customer base and operating footprint for BHP
- Long-life asset in a stable mining jurisdiction
- Provides a platform for growth via potential capital efficient expansions

**Operational excellence; leadership on Social Value and sustainability**
- Utilisation of latest design and technology
- First Nations agreements, and targeting 20% indigenous employment
- Aspirational goal for a gender balanced workforce
- Low water footprint and emissions embedded in design
Potash delivers value growth and differentiation
A future facing commodity with attractive long term fundamentals and differentiated demand drivers

Potash market has highly attractive characteristics

Inducement pricing regime

Large market size

Differentiated demand drivers

Value creation; Return potential

Value is enhanced in a Paris-aligned world

Potash provides differentiated demand drivers

Correlation since 2009

Iron ore

Copper

Nickel

<table>
<thead>
<tr>
<th>Aluminum</th>
<th>Oil</th>
<th>Iron ore</th>
<th>Nickel</th>
<th>Thermal coal</th>
<th>Met coal</th>
<th>Potash</th>
</tr>
</thead>
<tbody>
<tr>
<td>0.6</td>
<td>0.5</td>
<td>0.4</td>
<td>0.4</td>
<td>0.3</td>
<td>0.2</td>
<td>0.3</td>
</tr>
<tr>
<td>0.8</td>
<td>0.7</td>
<td>0.6</td>
<td>0.5</td>
<td>0.4</td>
<td>0.3</td>
<td>0.1</td>
</tr>
<tr>
<td>0.7</td>
<td>0.5</td>
<td>0.5</td>
<td>0.5</td>
<td>0.4</td>
<td>0.2</td>
<td>0.2</td>
</tr>
</tbody>
</table>

BMO Farm to Market
19 May 2022

5
Risks and opportunities on the road to entry

Overall market changes are positive for Jansen S1 economics

<table>
<thead>
<tr>
<th>Demand response to scarcity price?</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Near term consumption impacted by shipping constraints</td>
</tr>
<tr>
<td>• Firm demand from food exporters/potash importers</td>
</tr>
<tr>
<td>• Food security concerns to influence sovereign behaviour</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Supply response to scarcity price?</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Earlier than anticipated draw in latent capacity</td>
</tr>
<tr>
<td>• Project pipeline is the key unknown for the medium to longer term</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Impact on the window of concern to Jansen?</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Pre-invasion, market was expected to reach a balance in late 2020s</td>
</tr>
<tr>
<td>• High conviction that long run pricing will reflect the cost of developing new greenfield supply</td>
</tr>
<tr>
<td>• LRMC(^5) estimates of the market may move upwards, reflecting industry inflation and cost of capital</td>
</tr>
</tbody>
</table>

Source: CRU
Stage 1 execution on track

Contingencies built in for Stage 1, moving early to secure major capex items

Early progress

• Jansen S1 US$5.7 bn (C$7.5 bn) project is 5% complete following August 2021 sanction

• ~US$1.4 bn in contracts awarded, covering the port, underground mining systems and other construction activities

• Port Engineering, Procurement and Construction Management contractor awarded

• US$2.97 bn shaft project 99% complete

Well scoped capital budget

• >55% of engineering completed

• >60% of procurement agreements executed

• Fixed project capex for port at Westshore

• Exposure to supplied and fabricated steel only ~US$200 m
Stage 2 studies underway

Stage 2 studies being accelerated to provide maximum optionality on sanction timing

Estimated production from potential incremental stages beyond Jansen S1\(^6\)
(MOP Production, Mt)

<table>
<thead>
<tr>
<th>Production years</th>
<th>Lower capital intensity</th>
<th>Higher incremental returns(^{10})</th>
</tr>
</thead>
<tbody>
<tr>
<td>Jansen S2</td>
<td>US$800-950/t(^7)</td>
<td>20-23% IRR(^{11}) 3-4 year payback</td>
</tr>
<tr>
<td>Jansen S3</td>
<td>US$800-900/t(^8)</td>
<td>18-20% IRR(^{12}) ~4 year payback</td>
</tr>
<tr>
<td>Jansen S4</td>
<td>US$1,200/t(^9)</td>
<td>12-14% IRR(^{13}) 7 year payback</td>
</tr>
</tbody>
</table>

BMO Farm to Market
19 May 2022
Jansen has structural competitive advantages

Modern, large scale conventional mine with modern design providing platform for future growth

**Geology & Resource**
- **Upfront geological information**
  - Full life of mine planning of resource leveraging 3D seismic technology

**Mining system**
- **~60% less equipment delivers lower costs**
  - Larger borers make a unique, integrated mining system

**Hoisting**
- **Shaft design ~20-50% larger than competitors**
  - Large capacity supports low capital intensity expansion options

**Processing**
- **Leading equipment and material handling systems**
  - Modern plant design delivers high recoveries, lower emissions and water use

**Outbound logistics**
- **Continuous, automated loading system**
  - Efficient path to market with significant expansion potential

Our approach to social value and environmental stewardship underpin Jansen’s development
Scale and latest technology deliver an advantage

Approach drives sustainable cost, safety and emissions benefits

**Larger sized borers, continuous conveyance and automation**

- Existing technology, adapted and scaled into a unique integrated mining system
- Four mining systems produce equivalent of 10 to 14 standard systems
  - Higher capacity systems mean fewer active mining faces
  - ~60% less fleet creates ~10% operating cost saving

**Shaft diameter is 20% to 50% larger than competitors’**

- 7.3m shaft diameter removes need to sink future ventilation shafts over the life of mine even if Stages 2-4 are sanctioned
- Available hoisting capacity delivers economies of scale and lower capital intensity expansion options
- Production hoists equipped with latest safety systems and rope monitoring technology
Efficient plant design and path to market

Optimised for increased recovery and plant utilisation, with outbound logistics to support Jansen S1 and beyond

Processing plant
- ~92% recovery rate; expected to be higher than peers
- Setting a new benchmark for equipment and decision automation
  - Fully integrated process control from borer to train load-out
  - 3x the number of process sensors and 10x the machine health monitoring sensors vs. next largest producer in Saskatchewan
  - Fully automated raw ore and product reclaim

Rail
- Continuous high-speed loading and unloading systems to maximise efficiency and reduce loading and unloading times
- BHP to operate with dedicated fleet of rail cars

Port
- Long-term partnership with Westshore Terminals to develop facilities, offering deep water and best-in-class rail access in Port of Vancouver
- Westshore’s transition to Potash will serve Jansen S1 and potential S2 production, with significant expansion potential
Confident in optimised construction schedule

6 year construction period to first production followed by a 2 year ramp-up for Stage 1

<table>
<thead>
<tr>
<th>Activity</th>
<th>CY21</th>
<th>CY22</th>
<th>CY23</th>
<th>CY24</th>
<th>CY25</th>
<th>CY26</th>
<th>CY27</th>
<th>CY28</th>
</tr>
</thead>
<tbody>
<tr>
<td>Current Scope</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Final Liner Shaft</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Production and Service shaft</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Jansen Stage 1</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Shaft infrastructure fit out</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Underground Development</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Mine Construction</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Mine Equipment (assembly, commissioning)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Processing and Non-Processing Infra.</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Logistics</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Rail and Port Terminal</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Critical Path

19 May 2022

BMO Farm to Market

12
Jansen expected to become a world class asset

Jansen S1 to be a large, low cost asset that will enter the market at the bottom of the global cost curve

- **Well defined**
  - Initial investment
  - US$5.7 bn / C$7.5 bn

- **Large scale production**
  - 4.35 Mtpa

- **Hard-to-replicate design**
  - Across mining system and processing

- **Low-cost**
  - ~US$100/t FOB Vancouver
  - ~US$15/t sustaining capex

- **Embedded optionality**
  - Potential expansions de-risked by existing shaft capacity

---

**Jansen S1’s competitive position against peers**

(Average asset age in 2025)

- **Europe and Middle East**
- **Canada**
- **CIS**
- **China and Southeast Asia**
- **South America**

Note: Bubble size represents average asset production in 2025

Clusters of single assets built over time

- **Source:** BHP; CRU.
Footnotes

1. Slide 3: Based on published unit costs by major iron ore producers, as reported at 31 December 2021.
2. Slide 4: Aiming to achieve Indigenous workforce participation of 20% by the end of FY27.
3. Slide 5: Correlation based on changes in average quarterly prices from Q2 2009 to Q1 2022.
4. Slide 6: CY21 MOP supply and demand sourced from CRU.
5. Slide 6: LRMC refers to long run marginal cost.
6. Slide 8: Production target for Stage 1 is based on reported Ore Reserves. Potential incremental stages 2-4 are based on Measured Resources. Mineral Resources and Ore Reserves are included in the news release published on 17th August 2021, available to view at www.bhp.com.
10. Slide 8: Based on the yearly average of forecast December 2021 (Argus) and February 2022 (CRU) consensus prices. Long-run Argus and CRU consensus prices are US$350/tonne and US$505/tonne, respectively.
11. Slide 8: Expected Jansen S3-S4 IRR of investment decision across ~100 year mine life analysis was conducted using December 2021 (Argus) and February 2022 (CRU) consensus prices. Jansen S3-S4 IRR is post tax and nominal.
12. Slide 8: Expected Jansen S2 IRR of investment decision across ~100 year mine life analysis was conducted using December 2021 (Argus) and February 2022 (CRU) consensus prices. Jansen S2 IRR is post tax and nominal. Values do not reflect an accelerated Jansen S2 case.
13. Slide 8: Expected Jansen S1 IRR of investment decision across ~100 year mine life analysis was conducted using December 2021 (Argus) and February 2022 (CRU) consensus prices. Jansen S1 IRR is post tax and nominal, and excludes remaining funded investment of ~US$0.35 billion (as at September 2021) for completion of the shafts and installation of essential service infrastructure and utilities.
14. Slide 12: Project scope includes finishing the excavation and lining of the production and service shafts, and continuing the installation of essential surface infrastructure and utilities.
15. Slide 13: Figures on this slide refers to Jansen S1; Jansen S1 sustaining capex +/-20% on any given year.
16. Slide 13: Jansen S1 production begins in CY27. Jansen S1 forecast to be first quartile when it reaches full production.
**Jansen Reserves and Resources**

**Table 1. Jansen Mineral Resources (inclusive of Ore Reserves) as at 30 June 2021 in 100% terms reported in accordance with ASX Listing Rules 2019**

<table>
<thead>
<tr>
<th>Ore type</th>
<th>Measured Resources</th>
<th>Indicated Resources</th>
<th>Inferred Resources</th>
<th>Total Resources</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Mt</td>
<td>% K2O</td>
<td>% Insol.</td>
<td>% MgO</td>
</tr>
<tr>
<td>LPL</td>
<td>5,230</td>
<td>25.6</td>
<td>7.7</td>
<td>0.08</td>
</tr>
</tbody>
</table>

**Table 2. Jansen Ore Reserves as at 30 June 2021 in 100% terms reported in accordance with ASX Listing Rules 2019**

<table>
<thead>
<tr>
<th>Ore type</th>
<th>Proved Reserves</th>
<th>Probable Reserves</th>
<th>Total Reserves</th>
<th>Reserve life (years)</th>
<th>BHP interest (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Mt</td>
<td>% K2O</td>
<td>% Insol.</td>
<td>% MgO</td>
<td>Mt</td>
</tr>
<tr>
<td>LPL</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>1,070</td>
</tr>
</tbody>
</table>

**Notes:**

- The information in this report relating to Mineral Resources and Ore Reserves is based on and fairly represents information and supporting documentation compiled by B Németh MAusIMM, O Turkekul (APEGS) for Mineral Resources, and J Sondergaard (MAusIMM) for Ore Reserves. All Competent Persons are members of the Australasian Institute of Mining and Metallurgy AusIMM or a ‘Recognised Professional Organisation’ (RPO) included in a list that is posted on the ASX and Joint Ore Reserves Committee websites. All Competent Persons are employees of BHP and have sufficient experience that is relevant to the style of mineralization, type of deposit under consideration and to the activity being undertaken to qualify as a Competent Persons as defined in the 2012 Edition of the ‘Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves’. All Competent Persons confirm that they have no conflict of interest, perceived or otherwise, and consent to the inclusion in the report of the matters based on their information in the form and context in which it appears.

- The Measured and Indicated Mineral Resources are inclusive of those Mineral Resources modified to produce the Ore Reserves.

- Mineral Resources are stated for the Lower Patience Lake (LPL) potash unit. A seam thickness of 3.96 metres from the top of the 406 c lay seam was applied.

- Measured Resources grade has been assigned to Inferred Resources.

- 25.6 %K2O grade is equivalent to 40.5 %KCl content using the mineralogical conversion factor of MgO % is used as a measure of carnallite (KCl·MgCl₂·6H₂O) content where per cent carnallite equivalent = % MgO x 6.8918.

- Tonnages are reported on an in situ moisture content basis, estimated to be 0.3%.

- Tonnages are rounded to nearest 10 million tonnes.

**Note:** For further detail please refer to Mineral Resources and Ore Reserves as reported in the 17 August 2021 news release, available to view on www.bhp.com and are reported in 100 per cent terms. Competent Persons are B Nemeth (MAusIMM) and O Turkekul (APEGS) for Mineral Resources, and J Sondergaard (MAusIMM) for Ore Reserves.