

APPENDIX 1

CONDITIONS OF THE OFFER

The Offer is subject to the fulfilment of the following conditions:

(a) **Minimum acceptance condition**

During, or at the end of, the offer period the number of WMC Resources Shares in which BHP Billiton and its associates together have relevant interests (disregarding any relevant interest that BHP Billiton has merely because of the operation of section 608(3) of the Corporations Act) is at least 90% of all the WMC Resources Shares (even if that number later becomes less than 90% of all the WMC Resources Shares as a result of the issue of further WMC Resources Shares).

(b) **Foreign investment approval**

One of the following occurs before the end of the offer period:

- (i) BHP Billiton receives written notice issued by or on behalf of the Treasurer stating that there are no objections under the Australian government's foreign investment policy to the acquisition by BHP Billiton of all of the WMC Resources Shares under the Offer, such notice being unconditional;
- (ii) the expiry of the period provided under the *Foreign Acquisitions and Takeovers Act 1975* (Cth) ("**FATA**") during which the Treasurer may make an order or an interim order under the FATA prohibiting the acquisition of WMC Resources Shares under the Offer, without such an order being made; or
- (iii) if an interim order is made to prohibit the acquisition of WMC Resources Shares under the Offer, the subsequent period for making a final order has elapsed, without any such final order being made.

(c) **Hart-Scott-Rodino**

Before the end of the offer period, all filings required under the U.S. *Hart-Scott-Rodino Antitrust Improvements Act of 1976*, as amended ("**HSR Act**") have been made and all applicable waiting periods under the HSR Act have expired or have been terminated.

(d) **European Union merger control**

Before the end of the offer period:

- (i) the European Commission has issued a decision under Article 6(1)(a) of Council Regulation (EC) 139/2004 (the "**Merger Regulation**") that the acquisition of all or any of the WMC Resources Shares as a result of the Offer ("**Acquisition**") does not give rise to a concentration falling within the scope of the Merger Regulation;

- (ii) the European Commission has issued a decision under Article 6(1)(b) of the Merger Regulation declaring the Acquisition compatible with the common market, or is deemed to have done so under Article 10(6) of the Merger Regulation;
- (iii) in the event of the European Commission initiating proceedings under Article 6(1)(c) of the Merger Regulation and BHP Billiton waiving condition (d)(ii) above, the European Commission has issued a decision under Article 8(1) or 8(2) of the Merger Regulation declaring the Acquisition compatible with the common market, or is deemed to have done so under Article 10(6) of the Merger Regulation; or
- (iv) in the event that the European Commission refers the whole or part of the Acquisition to the competent authorities of one or more Member States under Article 9(3) of the Merger Regulation,
 - (A) each such authority has granted a clearance in respect of all those parts of the Acquisition which were referred to it, or is deemed to have granted such a clearance; and
 - (B) the requirements of sub-paragraphs (d)(ii) or (d)(iii) are satisfied with respect to any part not referred to the competent authority of any Member State.

(e) **ACCC**

Before the end of the offer period, BHP Billiton receives written notice from the ACCC that the ACCC does not propose to intervene in the acquisition of WMC Resources Shares under the Offer or the completion of any transaction contemplated by the Bidder's Statement, such notice being unconditional.

(f) **Approvals by Public Authorities**

Before the end of the offer period:

- (i) BHP Billiton receives all licences, authorities, consents, approvals, orders, waivers, relief, rulings and decisions ("**Approvals**") (other than those referred to in paragraphs (b) to (e)) which are required by law or by any Public Authority to permit the Offers to be made to and accepted by WMC Resources shareholders in all applicable jurisdictions; and
- (ii) BHP Billiton receives all Approvals (other than those referred to in paragraphs (b) to (e)) which are required by law or by any Public Authority as a result of the Offers or the successful acquisition of the WMC Resources Shares and which are necessary for the continued operation of the business of WMC Resources and its subsidiaries or of any member of the BHP Billiton Group,

and, in each case, those Approvals are on an unconditional basis and remain in force in all respects and there is no notice, intimation or indication of intention to revoke, suspend, restrict, modify or not renew those Approvals.

For the purpose of these conditions, "**Public Authority**" means any government or any governmental, semi-governmental, administrative, statutory or judicial entity, authority or agency, whether in Australia or elsewhere, including the ACCC (but excluding the Takeovers Panel, ASIC and any court in respect of proceedings under section 657G or proceedings commenced by a person specified in section 659B(1) of the Corporations Act in relation to the Offer). It also includes any self-regulatory organisation established under statute or any stock exchange.

(g) **No action by Public Authority adversely affecting the Offer**

During the period from and including the date of this announcement ("**Announcement Date**") to the end of the offer period:

- (i) there is not in effect any preliminary or final decision, order or decree issued by a Public Authority;
- (ii) no action or investigation is instituted, or threatened by any Public Authority; and
- (iii) no application is made to any Public Authority (other than an application by BHP Billiton or any company within the BHP Billiton Group),

in consequence of, or in connection with, the Offer, which restrains, prohibits or impedes, or threatens to restrain, prohibit or impede, or may otherwise materially adversely impact upon, the making of the Offer or the completion of any transaction contemplated by the Bidder's Statement or the rights of BHP Billiton in respect of WMC Resources and the WMC Resources Shares to be acquired under the Offer or otherwise, or seeks to require the divestiture by BHP Billiton of any WMC Resources Shares, or the divestiture of any assets by WMC Resources or by any subsidiary of WMC Resources or by any member of the BHP Billiton Group.

(h) **No prescribed occurrences**

None of the following events happens during the period beginning on the date the Bidder's Statement is given to WMC Resources and ending at the end of the offer period:

- (i) WMC Resources converts all or any of its shares into a larger or smaller number of shares;
- (ii) WMC Resources or a subsidiary of WMC Resources resolves to reduce its share capital in any way;
- (iii) WMC Resources or a subsidiary of WMC Resources:
 - (A) enters into a buy-back agreement; or
 - (B) resolves to approve the terms of a buy-back agreement under section 257C(1) or 257D(1) of the Corporations Act;

- (iv) WMC Resources or a subsidiary of WMC Resources issues shares (other than WMC Resources Shares issued as a result of exercise of WMC Resources Options) or grants an option over its shares, or agrees to make such an issue or grant such an option;
- (v) WMC Resources or a subsidiary of WMC Resources issues, or agrees to issue, convertible notes;
- (vi) WMC Resources or a subsidiary of WMC Resources disposes, or agrees to dispose, of the whole, or a substantial part, of its business or property;
- (vii) WMC Resources or a subsidiary of WMC Resources charges, or agrees to charge, the whole, or a substantial part, of its business or property;
- (viii) WMC Resources or a subsidiary of WMC Resources resolves to be wound up;
- (ix) a liquidator or provisional liquidator of WMC Resources or of a subsidiary of WMC Resources is appointed;
- (x) a court makes an order for the winding up of WMC Resources or of a subsidiary of WMC Resources;
- (xi) an administrator of WMC Resources, or of a subsidiary of WMC Resources, is appointed under section 436A, 436B or 436C of the Corporations Act;
- (xii) WMC Resources or a subsidiary of WMC Resources executes a deed of company arrangement; or
- (xiii) a receiver, or a receiver and manager, is appointed in relation to the whole, or a substantial part, of the property of WMC Resources or of a subsidiary of WMC Resources.

(i) **No prescribed occurrences between the Announcement Date and service**

None of the events listed in sub-paragraphs (i) to (xiii) of paragraph (h) happens during the period beginning on the Announcement Date and ending at the end of the day before the Bidder's Statement is given to WMC Resources.

(j) **No material acquisitions, disposals or changes in the conduct of WMC Resources' business**

During the period from and including the Announcement Date to the end of the offer period, none of WMC Resources, or any subsidiary of WMC Resources:

- (i) acquires, offers to acquire or agrees to acquire one or more shares, companies or assets (or an interest in one or more shares, companies or assets) for an amount in aggregate greater than A\$300 million;

- (ii) disposes, offers to dispose or agrees to dispose of its interest (in whole or in part and whether directly or indirectly) in the Olympic Dam operation, WMC Resources' nickel operation or the Corridor Sands mineral sands project (each a “**Relevant Asset**”). To avoid any doubt, a disposal of, an offer to dispose or an agreement to dispose of one or more shares or interests in a company or entity which owns an interest in a Relevant Asset is taken to be a disposal of, an offer to dispose or an agreement to dispose of (as the case may be) an interest in the Relevant Asset;
- (iii) enters into or offers to enter into any joint venture, asset or profit sharing, partnership, merger of businesses (including through a dual listed companies structure) or of corporate entities, in respect of any Relevant Asset;
- (iv) other than in the ordinary course of business, incurs, commits to or brings forward the time for incurring, or grants to another person a right the exercise of which would involve WMC Resources or any subsidiary of WMC Resources incurring or committing to, any capital expenditure or liability, or foregoes any revenue, for one or more related items or amounts of greater than A\$50 million; or
- (v) discloses (without having disclosed to ASX prior to the Announcement Date) the existence of any matter described in sub-paragraphs (i) to (iv) above, or announces an intention or proposal to do anything described in sub-paragraphs (i) to (iv) above.

For the avoidance of doubt, a reference in this paragraph (j) to:

- (A) the Olympic Dam operation is to the Olympic Dam minerals processing operation (which produces copper, uranium oxide, gold and silver), and the mine and assets used in connection with that operation (including all land holdings and assets in and around the township of Roxby Downs), of WMC Resources (or any subsidiary of it);
- (B) WMC Resources' nickel operation is to the nickel business carried on by the WMC Resources Group including the:
 - (I) mines and concentrators at Leinster and Mount Keith;
 - (II) concentrator at Kambalda;
 - (III) smelter at Kalgoorlie;
 - (IV) refinery at Kwinana; and
 - (V) other nickel related projects,of WMC Resources (or any subsidiary of it).

(k) **Non-existence of certain rights**

No person (other than a member of the BHP Billiton Group) has or will have any right (whether subject to conditions or not) as a result of BHP Billiton acquiring WMC Resources Shares to:

- (i) acquire, or require the disposal of, or require WMC Resources or a subsidiary of WMC Resources to offer to dispose of, any material asset of WMC Resources or a subsidiary of WMC Resources; or

- (ii) terminate, or vary the terms or performance of, any material agreement with WMC Resources or a subsidiary of WMC Resources.

(l) **No material adverse change**

During the period from and including the Announcement Date to the end of the offer period:

- (i) there is no occurrence or matter, including (without limitation):
 - (A) any change in the status or terms of arrangements entered into with WMC Resources or any of its subsidiaries or the status or terms of any Approvals which are applicable to WMC Resources or any of its subsidiaries (whether or not wholly or partly attributable to the making of the Offer, and/or the acquisition of WMC Resources Shares under the Offer);
 - (B) any change in the 30 day moving average spot price for any commodity on any market, as expressed in Australian dollars;
 - (C) any liability for duty or tax;
 - (D) any liability resulting from a change of control of WMC Resources; or
 - (E) any change in the law (whether retrospective or not),
that (individually or together with others) has or could reasonably be expected to have a materially adverse effect on the assets, liabilities, financial or trading position, profitability, production or prospects of WMC Resources and its subsidiaries taken as a whole; and
- (ii) no occurrence or matter, as described in sub-paragraph (l)(i), which occurred before the Announcement Date but was not apparent from publicly available information before then, becomes public.

(m) **S&P/ASX 200 index**

During the period from and including the Announcement Date to the end of the offer period, the S&P/ASX 200 index does not fall below 3,500 on any trading day.

APPENDIX 2

WMC RESOURCES OVERVIEW

WMC Resources is a major diversified Australian resources company involved in the exploration and production of nickel, copper, uranium oxide and phosphate fertilisers with operations in South Australia, Western Australia and Queensland. The company is headquartered in Melbourne.

WMC Resources has its primary listing on the Australian Stock Exchange and ADRs traded on the New York Stock Exchange

For the year ended 31 December 2004, WMC Resources reported a consolidated net profit after tax of A\$1,327m (US\$1,035m¹), generated on sales of A\$3,777m (US\$2,946m¹). As at 31 December 2004, consolidated net assets were A\$5,109m (US\$3,985m¹)

The principal operations of WMC Resources are:

Nickel

Mining operations are located at Leinster, Mount Keith, and Kambalda in Western Australia. WMC Resources also operates a smelter at Kalgoorlie and refinery at Kwinana, Western Australia

Copper/Uranium

Olympic Dam in South Australia produces refined copper, uranium oxide, gold and silver. Olympic Dam, in addition to being a major copper and gold deposit, is the world's largest known uranium deposit

Fertilisers

WMC Resources' operations at Phosphate Hill and Mt Isa in Queensland produce mono- and di-ammonium phosphate for the domestic and export market

Mineral sands

Corridor Sands is a large undeveloped titanium dioxide-bearing mineral sands deposit in southern Mozambique.

¹ Australian dollar amounts converted at assumed exchange rate of AUD/USD 0.78

APPENDIX 3

BHP BILLITON OVERVIEW

BHP Billiton is the world's largest diversified resources company. It has approximately 35,000 employees working in more than 100 operations in approximately 20 countries. BHP Billiton occupies industry leader or near industry leader positions in major commodity businesses, including aluminium, energy coal and metallurgical coal, copper, ferro-alloys, iron ore and titanium minerals, and has substantial interests in oil, gas, liquefied natural gas, nickel, diamonds and silver. The Company is headquartered in Melbourne, Australia.

BHP Billiton is a Dual Listed Company (DLC) comprising BHP Billiton Limited and BHP Billiton Plc. The two entities exist as separate companies, but operate as a combined group. Both companies have identical Boards of Directors and are run by a unified management team. BHP Billiton is listed on the Australian Stock Exchange (through BHP Billiton Limited) and London Stock Exchange (through BHP Billiton Plc), along with a secondary listing on the Johannesburg Stock Exchange (through BHP Billiton Plc) and American Depositary Receipts listings on the New York Stock Exchange.

For the six months ended 31 December 2004, BHP Billiton reported earnings before interest, tax, depreciation, impairments and amortisation (EBITDA) of US\$5.2 billion and had turnover (including the Group's share of joint ventures) of US\$15.5 billion. As of 7 March BHP Billiton's market capitalization was US\$90.2 billion.

BHP Billiton has seven Customer Sector Groups:

Aluminium

BHP Billiton is one of the world's major producers of alumina and aluminium. Its principal assets are located in South Africa, Brazil, Mozambique, Australia and Suriname.

Base Metals

BHP Billiton is a leading supplier of lead, zinc and copper concentrates. BHP Billiton produces high-quality copper cathode (metal) and is also a leading producer of silver in concentrate. It has operations in Chile, Peru and Australia.

Carbon Steel Materials

BHP Billiton is a leading supplier of iron ore, metallurgical coal and manganese ore and alloys to the global steel industry. It has mining and processing operations in Australia, South Africa and Brazil.

Diamonds and Specialty Products

This business produces diamonds, titanium slag, rutile and zircon and includes BHP Billiton's minerals exploration and technology activities. The Ekati diamond operation is in Canada and the titanium minerals operations are located in Richards Bay, South Africa.

Energy Coal

BHP Billiton is one of the world's largest producers and marketers of export thermal coal. It is also a major supplier to domestic markets. It has operations in South Africa, United States, Colombia and Australia.

Petroleum

BHP Billiton is a significant oil and gas exploration and production business. Principal activities are oil and natural gas production, exploration and development in Australia, the United Kingdom, the United States, Algeria, Trinidad and Tobago and Pakistan.

Stainless Steel Materials

BHP Billiton is a market leading producer of primary nickel and ferrochrome. Its key operations are located in Colombia, South Africa and Australia.