



BHP Billiton Iron Ore

Macquarie Western Australia Forum

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Disclaimer

Forward looking statements

This presentation contains forward looking statements, including statements regarding: 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' or similar words. These statements discuss future expectations concerning the results of operations or financial condition, or provide other forward looking statements.

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For example, our future revenues from our operations, projects or mines 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 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 some of the countries where we 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 risk factors discussed in BHP Billiton's filings with the US 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, the Group does not undertake any obligation to publicly update or review any forward looking statements, whether as a result of new information or future events.

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 Attributable profit excluding exceptional items, Underlying EBITDA interest coverage, Underlying effective tax rate, Underlying EBIT margin and Underlying return on capital. 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.

UK GAAP financial information

Certain historical financial information for periods prior to FY2005 has been presented on the basis of UK GAAP, which is not comparable to IFRS or US GAAP. Readers are cautioned not to place undue reliance on UK GAAP information.

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Mineral Resources

This presentation includes information on Mineral Resources (inclusive of Ore Reserves) and Ore Reserves compiled by: P Whitehouse – Mineral Resources (MAusIMM) and T Cockerill – Ore Reserves (MAusIMM) – Western Australia Iron Ore (WAIO). The FY2013 information is extracted from the report titled BHP Billiton 2013 Annual Report created on September 25th 2013 and is available to view on www.bhpbilliton.com. The company confirms that it is not aware of any new information or data that materially affects the information included in the original market announcement and in the case of estimates of Mineral Resources, that all material assumptions and technical parameters underpinning the estimates in the relevant market announcement continue to apply and have not materially changed. The company confirms that the form and context in which the Competent Person's findings are presented have not been materially modified from the original market announcement.

FY2007 to FY2012 Mineral Resources (inclusive of Ore Reserves) and Ore reserves is compiled by P Whitehouse and T Cockerill from BHP Billiton Annual Reports for the aforementioned years. The compilers verify that this report is based on and fairly reflects the Mineral Resources and Ore Reserve information in the supporting documentation and agree with the form and context of the information presented.

All FY2013 information is reported under the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves, 2012 (the JORC Code) and FY2007 to FY2012 information is reported under the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves, 2004 (the JORC Code) by the above-mentioned persons who are employed by BHP Billiton and have the required qualifications and experience to qualify as Competent Persons for Mineral Resources, and Ore Reserves under the JORC Code.

Mineral Resource and Ore Reserve breakdown by classification (100% basis) is contained in Table 1.

All tonnes and grade information has been rounded, hence small differences may be present in the totals.

Table 1

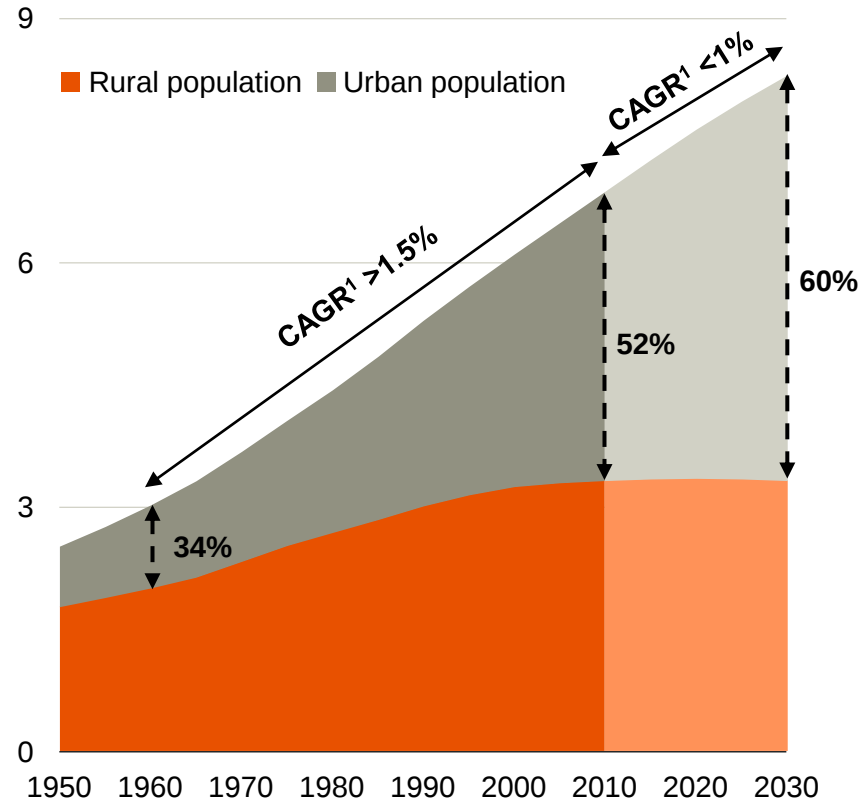
Financial Year	Proved Reserve (Bt)	Probable Reserve (Bt)	Measured Resource (Bt)	Indicated Resource (Bt)	Inferred Resource (Bt)
FY2013	1.5	2.1	2.6	4.2	15
FY2012	1.4	2.0	2.3	3.7	14.6
FY2011	1.4	2.1	2.2	3.9	13.2
FY2010	1.3	2.0	1.9	3.5	10.7
FY2009	1.3	1.8	1.8	3.2	7.5
FY2008	1.5	1.5	2.0	2.9	6.8
FY2007	1.3	1.1	1.7	2.1	4.2

Key themes

- Strong steel production outlook continues to underpin iron ore demand
- The iron ore cost curve is expected to flatten over the medium to long term as the major, low cost producers expand supply
- Our high quality resource base is a competitive advantage
- We will prioritise the highest returning growth options
- Debottlenecking the supply chain is expected to deliver capital efficient growth in capacity to approximately 260 mtpa to 270 mtpa
- A structured approach to productivity is delivering significant value

Long term drivers of demand remain intact

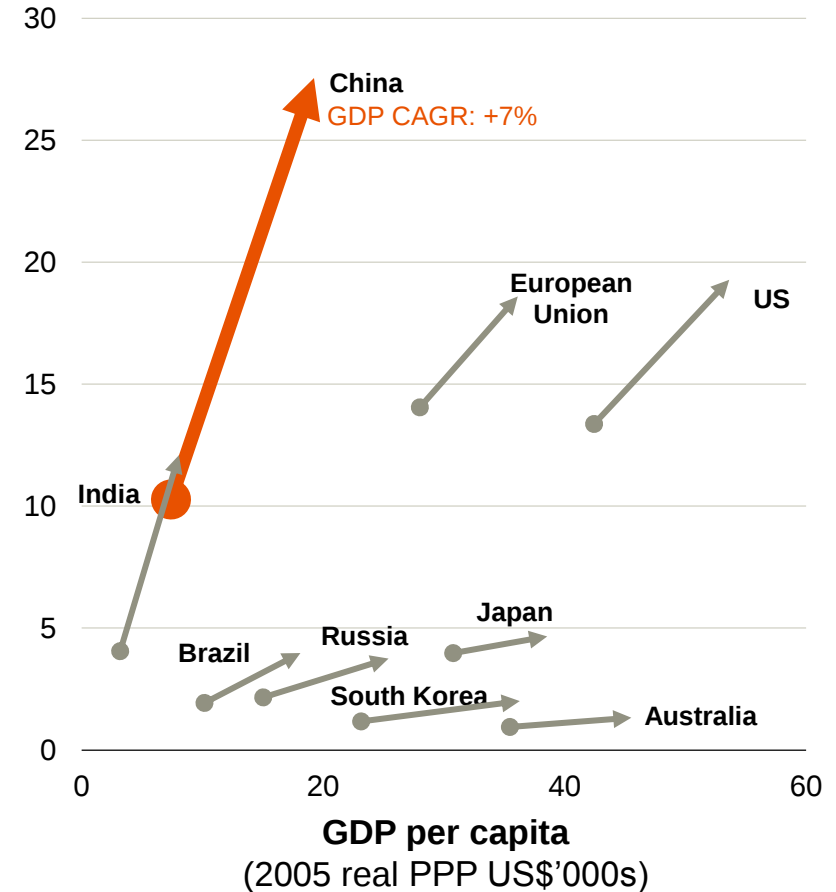
Global population growth
(billion people)



1. Total global population CAGR.

Source: United Nations (Population Division, Department of Economic and Social Affairs).

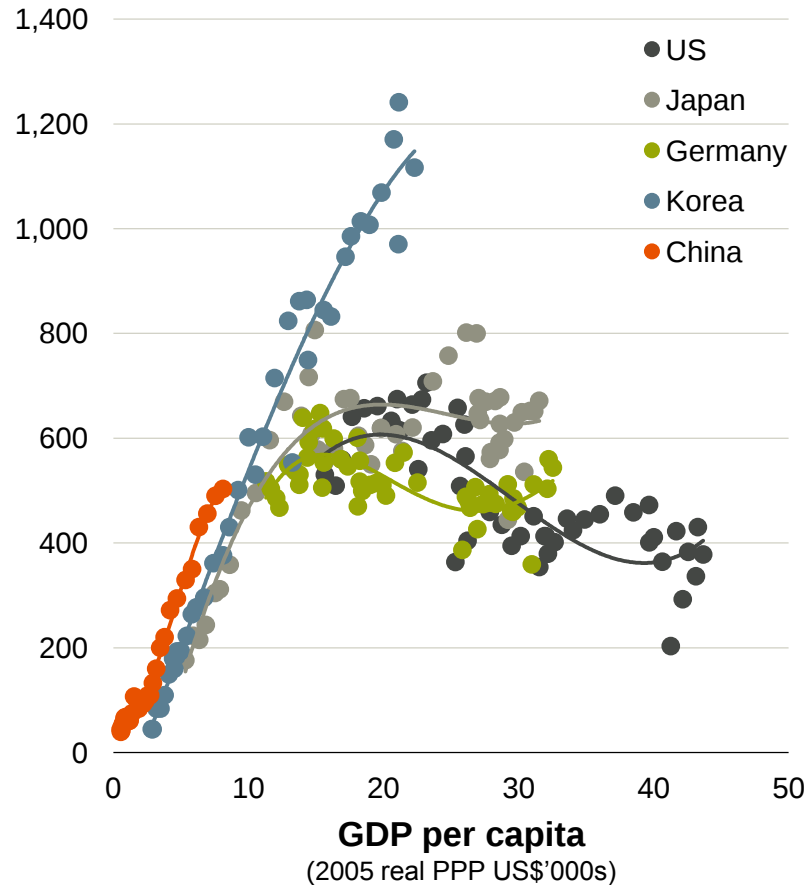
GDP change between 2012 and 2025
(2005 real PPP US\$ trillion)



Source: IHS Global Insight.

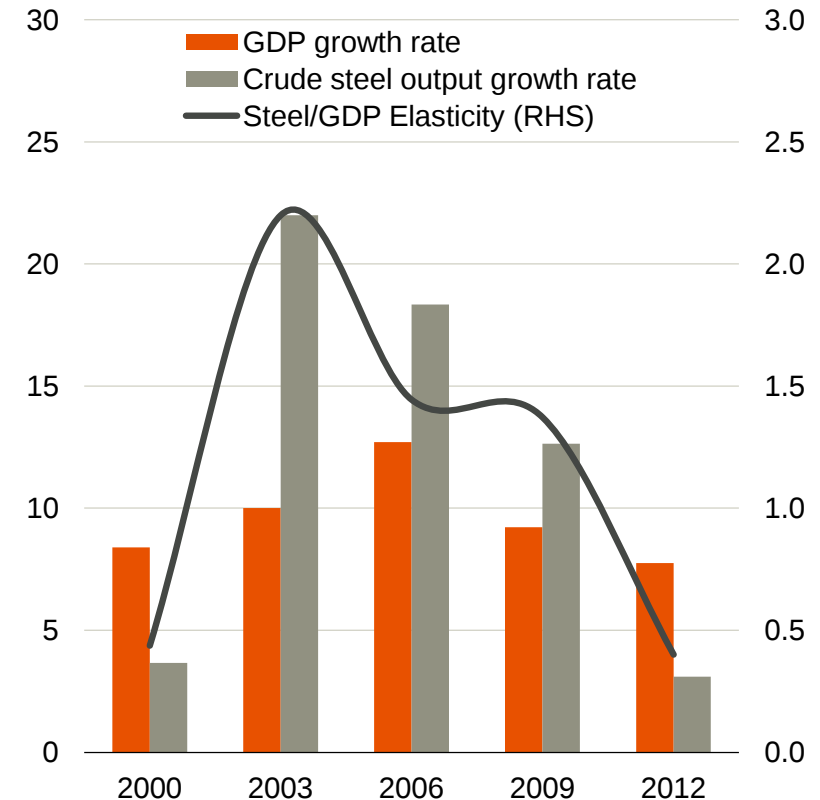
Chinese steel demand growth rates have moderated, but remain strong in absolute terms

Crude steel consumption
(kilograms per capita per year)



Source: Global Insight; World Steel Association; BHB Billiton.

Chinese GDP and crude steel output growth
(YoY, %) (ratio)

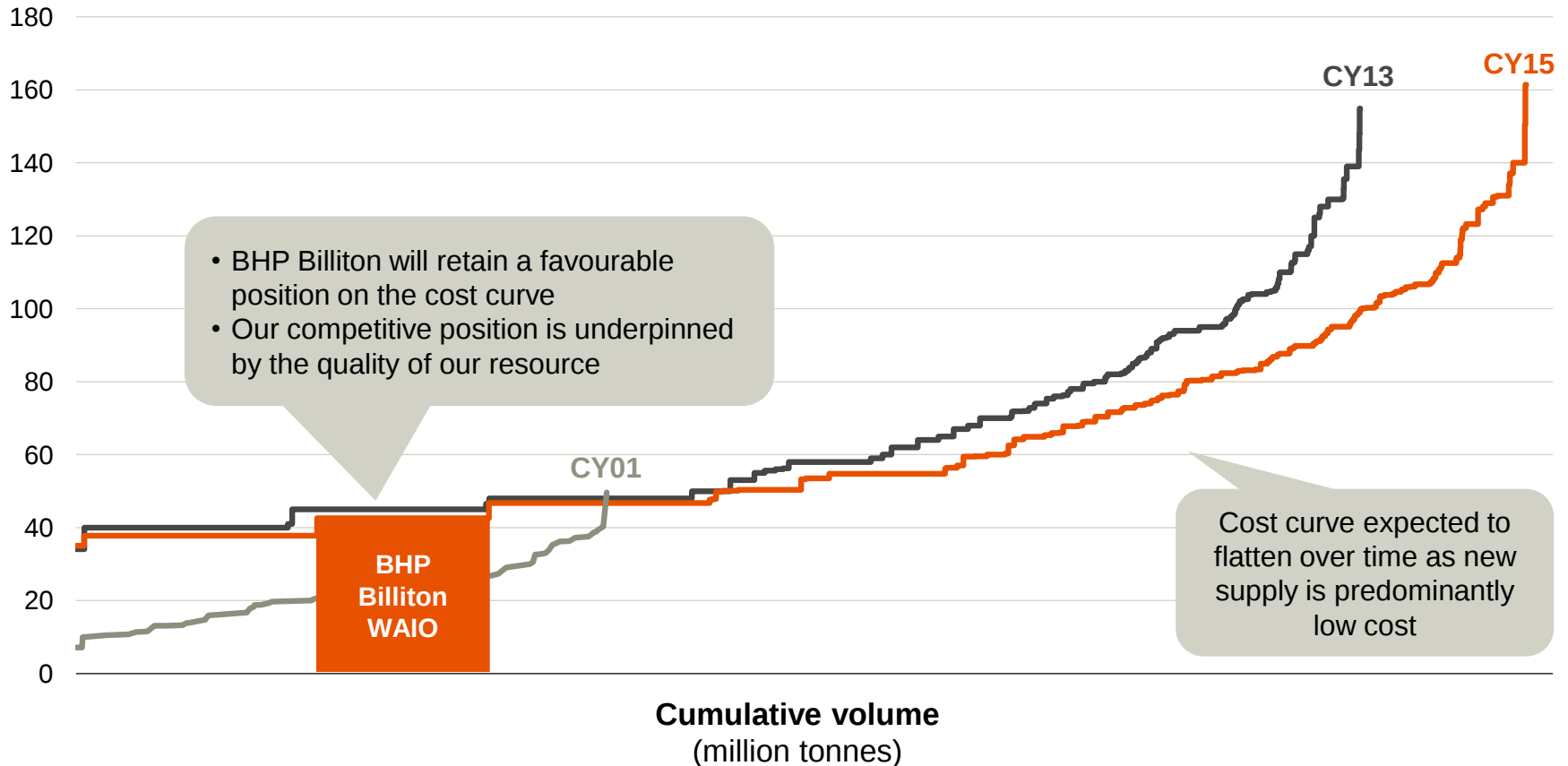


Source: NBS; World Steel Association; BHB Billiton.

Expansions to low cost seaborne supply will flatten the cost curve

Cost curve for iron ore fines

(US\$/t, nominal, CIF China equivalent basis)

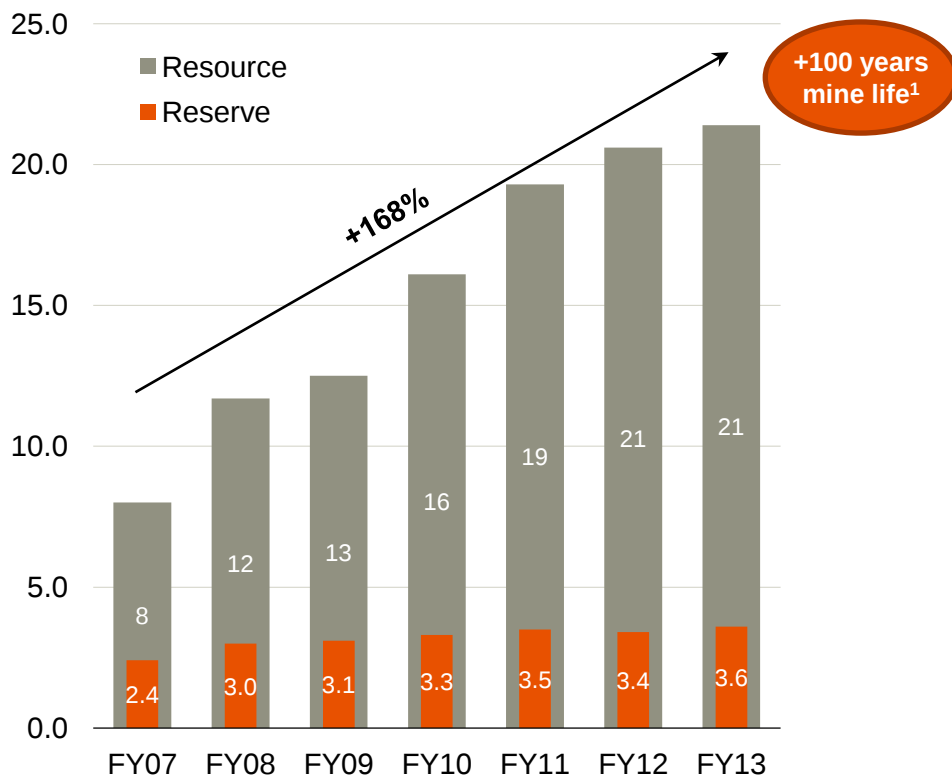


Source: Macquarie Research, October 2013.

Our high quality resource base is a competitive advantage

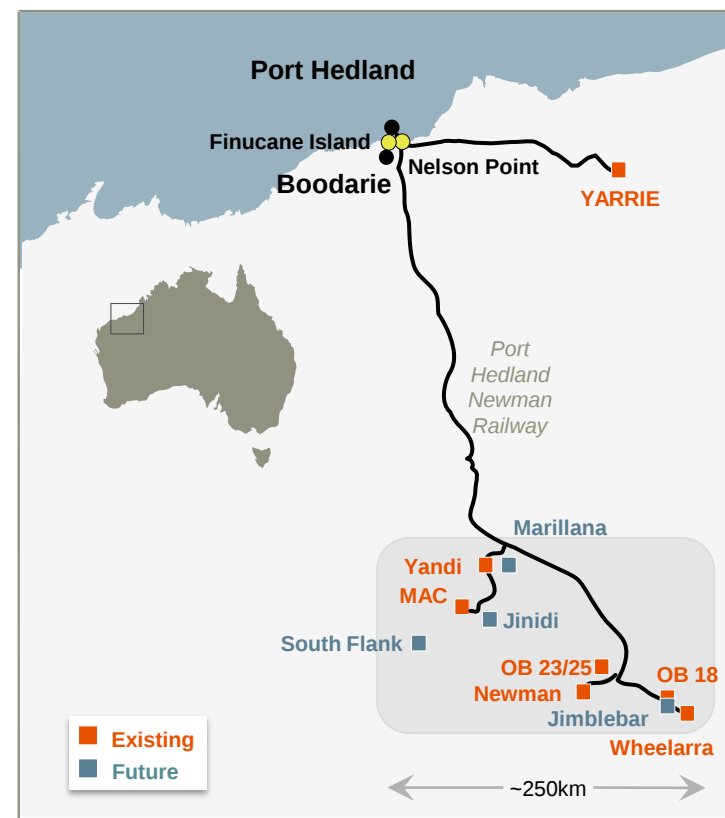
Pilbara mineral resources more than doubled in six years... within a concentrated footprint

WAIO resources and reserves (billion wet tonnes, 100% basis)



Note: Refer to disclaimer on slide 3.

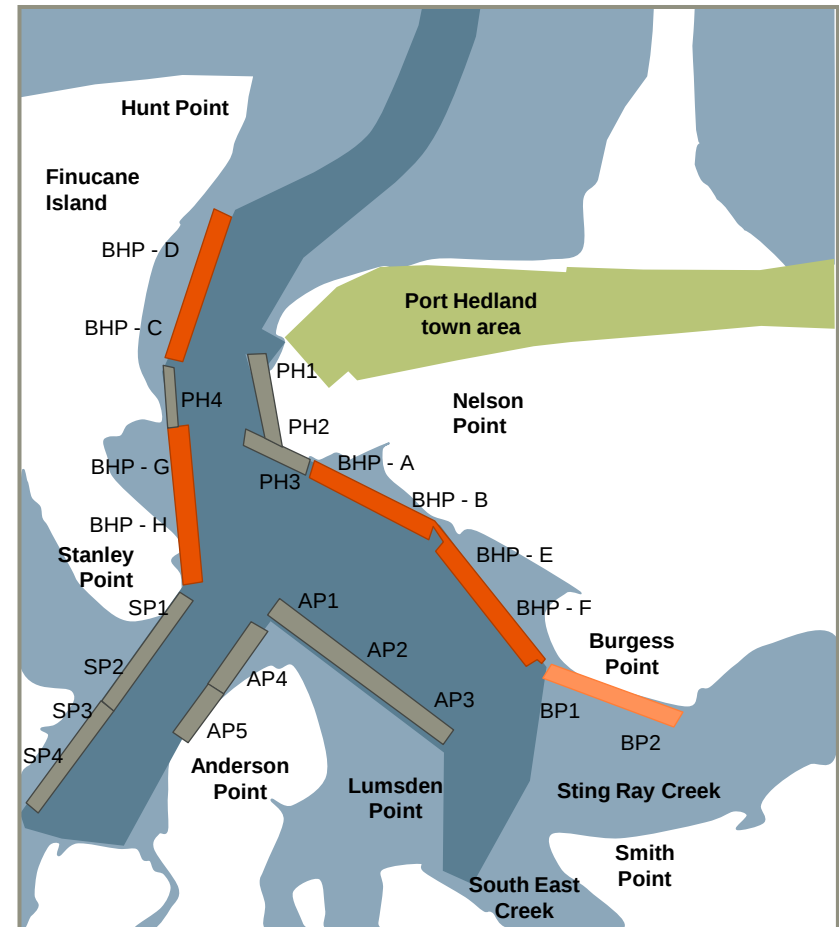
1. Represents the Mineral Resource (inclusive of Ore Reserves) divided by the FY13 production rate and does not imply that any mine planning has been completed. The life of individual mines may be more or less than the number stated above.



We will prioritise the highest returning options

- WAIO Inner Harbour Expansion project is substantially complete
 - First ore loaded during Q1 FY13 from two new ship loaders at Nelson Point
 - Car Dumper 5 processed first ore in late CY12
- The Inner Harbour comprises eight berths and eight ship loaders, four each at Nelson Point and Finucane Island
- Option secured for two additional berths at Burgess Point
- Potential to debottleneck existing land-side infrastructure
- The Outer Harbour remains a valuable option for long term growth

Port Hedland Inner Harbour



Orange line: BHP Billiton berths
Light orange line: Option secured for two additional BHP Billiton berths at Burgess Point

Significant opportunity for debottlenecking and capital efficient growth across our supply chain

We can grow system capacity to approximately 260 mtpa to 270 mtpa without the requirement for an additional mining hub or major port and rail infrastructure



Mines

- The new Jimblebar mine will ramp up to 35 mtpa and take total mine capacity to 220 mtpa
- Jimblebar readily expandable from 35 to 55 mtpa
- Debottlenecking and mobile crushers can unlock a further +20 mtpa across our portfolio of mines

Rail

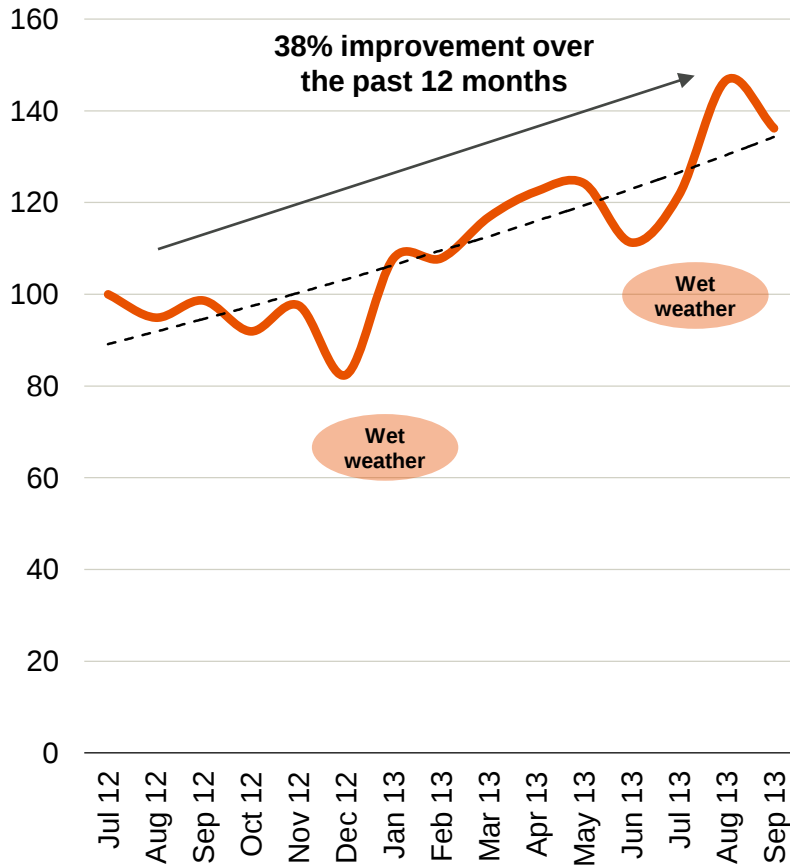
- Dual track rail can deliver >300 mtpa of capacity with modest investment

Port

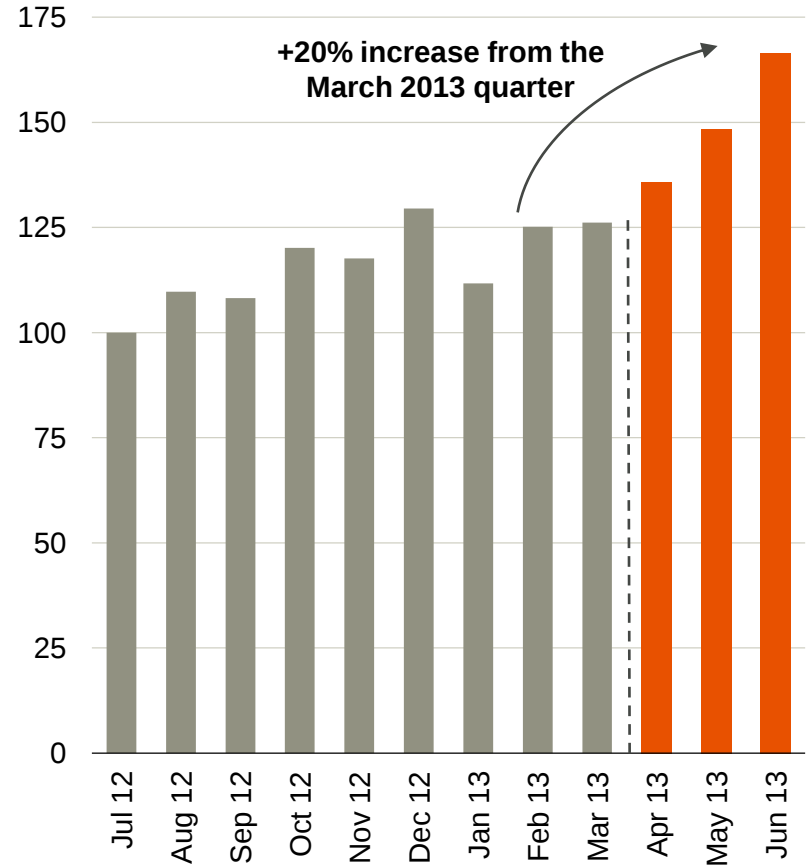
- 5 car dumpers installed with optimised throughput potential of 55 to 60 mtpa per dumper
- 8 ship loaders installed with optimised throughput potential of 35 to 40 mtpa per ship loader
- Low cost opportunity to debottleneck the conveyor, stockyard and stacker-reclaimer system

Our productivity drive is already yielding strong results

Mt Whaleback R996 digger productivity
(index, July 2012 annualised total movement = 100)

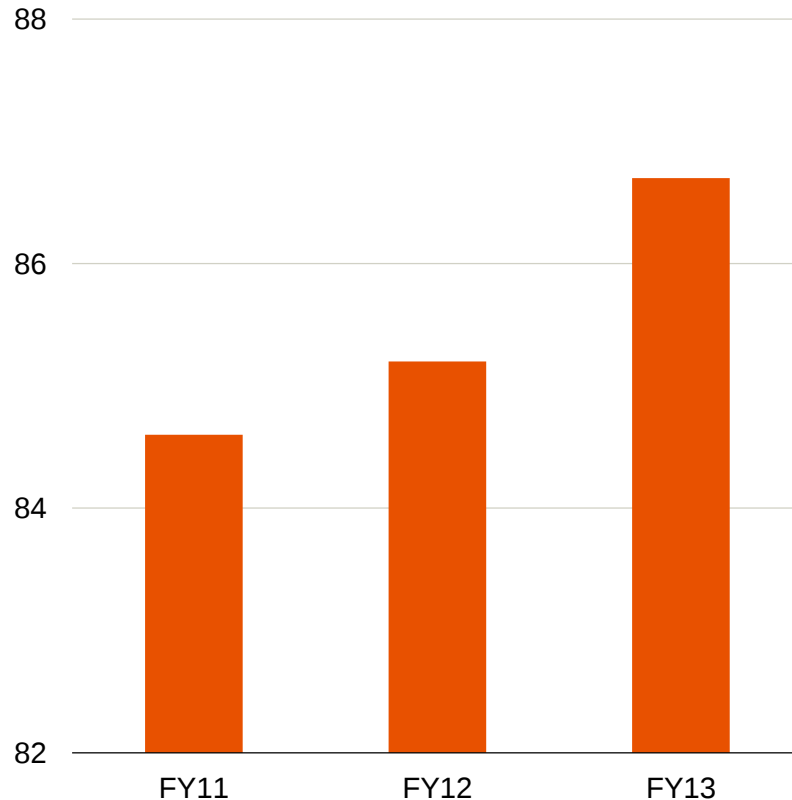


Newman hub utilisation of train load-out
(index, July 2012 = 100)

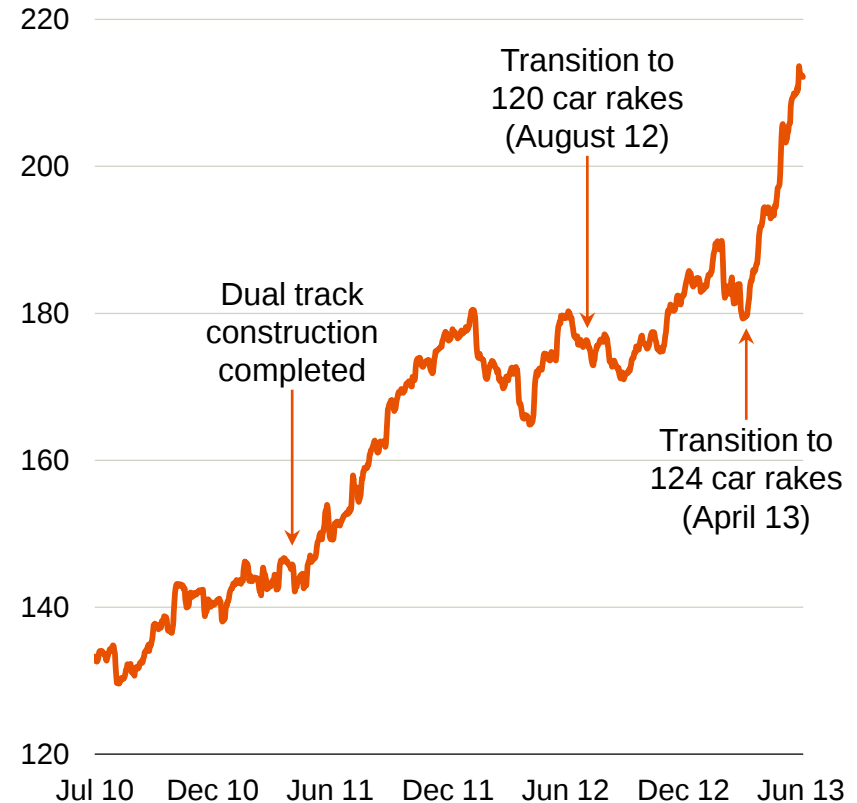


Increased fixed plant utilisation at the mines has contributed to a significant uplift in ore railed

Mines fixed plant utilisation (%)

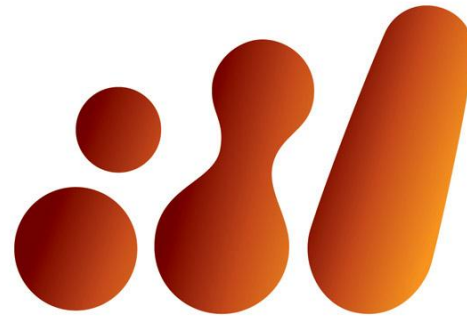


Railed tonnage performance (mtpa, 90 day moving average)



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resourcing the future