



11 March 2014

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**AUSTRALIAN JOURNAL OF MINING
GLOBAL IRON ORE AND STEEL FORECAST CONFERENCE**

BHP Billiton President, Iron Ore, Jimmy Wilson, will present at the Australian Journal of Mining Global Iron Ore and Steel Forecast Conference, in Perth, Western Australia today.

A copy of the presentation is attached and can be found at

http://www.bhpbilliton.com/home/investors/reports/Documents/2014/140311_AustralianJournalofMiningConference.pdf

Further information on BHP Billiton can be found at: www.bhpbilliton.com.

Nicole Duncan
Company Secretary

NEWS RELEASE

Release Time IMMEDIATE

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BHP BILLITON IRON ORE DELIVERING SIGNIFICANT VALUE

BHP Billiton today outlined how its focus on productivity and capital efficient debottlenecking in its iron ore business is delivering value.

Speaking at the AJM Global Iron Ore and Steel Forecast conference, BHP Billiton Iron Ore President Jimmy Wilson, reiterated the Company's view of the iron ore market and its Western Australia Iron Ore business.

"Our market outlook is for continued strong steel demand growth over the next 10 years. Our view that Chinese crude steel production is expected to peak at 1.1 billion tonnes, around 2025, is unchanged. We remain confident that global demand for iron ore will continue to grow, though at a more moderate rate, driven by urbanisation and industrialisation," he said.

"BHP Billiton will retain a favourable position on the iron ore cost curve underpinned by the quality of our resource base. These resources further position us to benefit from an increasing market preference for high quality lump and fines iron ore products."

Mr Wilson also reiterated the Company's productivity agenda was underway and delivering significant value.

"Our journey to deliver sustainable productivity benefits has encompassed a full review of the supply chain across mines, rail and port. Our initial focus on equipment availability, utilisation and operating rate was followed by low-cost debottlenecking initiatives.

"Across our mines we have realised significant productivity improvements that have resulted in increased shovel, truck and ore handling plant availability and utilisation. Where appropriate, we have also installed relocatable crushers to increase high margin volumes."

Over the longer term, BHP Billiton has a low-cost option to expand Jimblebar production to 55 million tonnes per annum (mtpa), as well as debottlenecking of the supply chain, to deliver capital efficient growth towards 270 mtpa (100 per cent basis).

"Our Iron Ore business is well positioned to deliver high margin volume growth at a lower cost without the need for an additional mining hub or major port and rail infrastructure," Mr Wilson said.

Further information on BHP Billiton can be found at: www.bhpbilliton.com.

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BHP Billiton Iron Ore

Value through productivity and growth

Jimmy Wilson
President, Iron Ore
11 March 2014



Disclaimer

Forward looking statements

This release 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', '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 release. Readers are cautioned not to put undue reliance on forward looking statements.

For example, our future revenues from our operations, 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 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 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, 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 release also includes certain non-IFRS measures including Underlying attributable profit, Underlying basic earnings per share, Underlying EBITDA interest coverage, Underlying effective tax rate, Underlying EBIT margin, Underlying EBITDA margin, Underlying return on capital, Free cash flow, Net debt and Net operating assets. 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.

No offer of securities

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

Reliance on third party information

The views expressed in this release 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 release should not be relied upon as a recommendation or forecast by BHP Billiton.

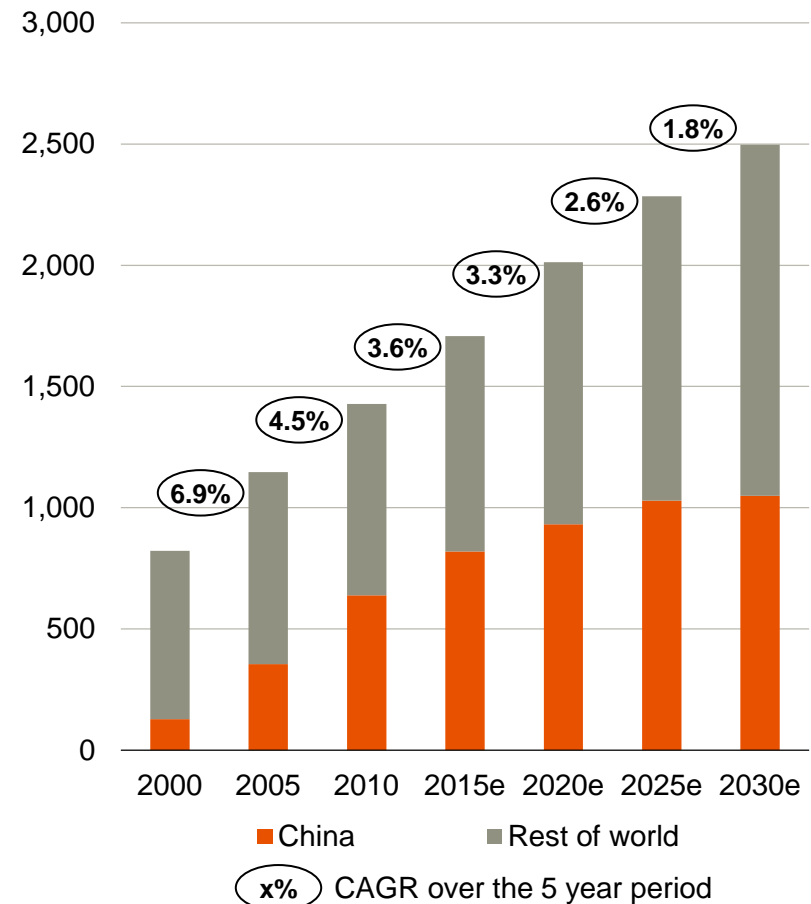
- Strong steel production outlook continues to underpin iron ore demand
- Significant additions of low cost supply will flatten the cost curve
- China's environmental policies are leading to a preference for quality iron ore
- We continue to grow WAIO¹ production, targeting 212 mt² in FY14
- Our approach to productivity is delivering a sustainable improvement in returns
- Capital efficient debottlenecking of the supply chain towards 260–270 mtpa

1. Western Australia Iron Ore.
2. 100% basis.

Strong demand growth for the next 10 years

- A further ~1.2 billion people will urbanise globally by 2030, with ~240 million in China
- Chinese crude steel production is expected to peak at ~1.1 billion tonnes per annum ~2025
- Steel production growth in China is expected to moderate as steel intensity per unit of GDP declines
- Pig iron growth rates will decline as scrap use increases
- Growth ex-China is expected to be driven by India, South East Asia and, to a lesser extent, Latin America and former Soviet Union states

Global crude steel production
(million tonnes)

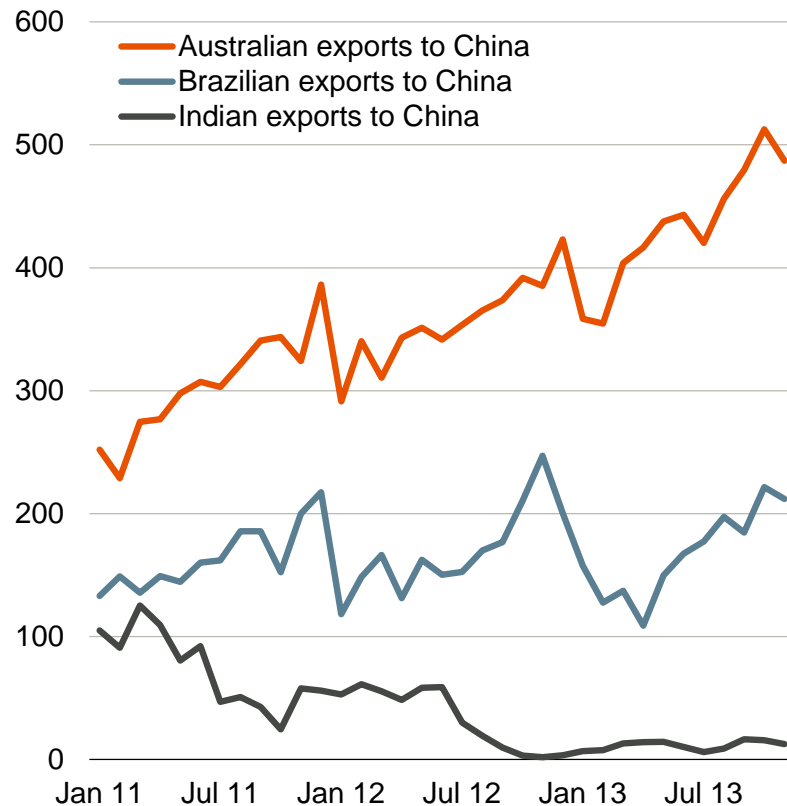


Source: BHP Billiton; World Steel Association.

Australia has led supply growth in recent years

Annualised shipments of Australian, Brazilian and Indian iron ore to China

(million tonnes)



Source: GTIS, China Customs.

Operation rate of Chinese private iron ore mines (%)

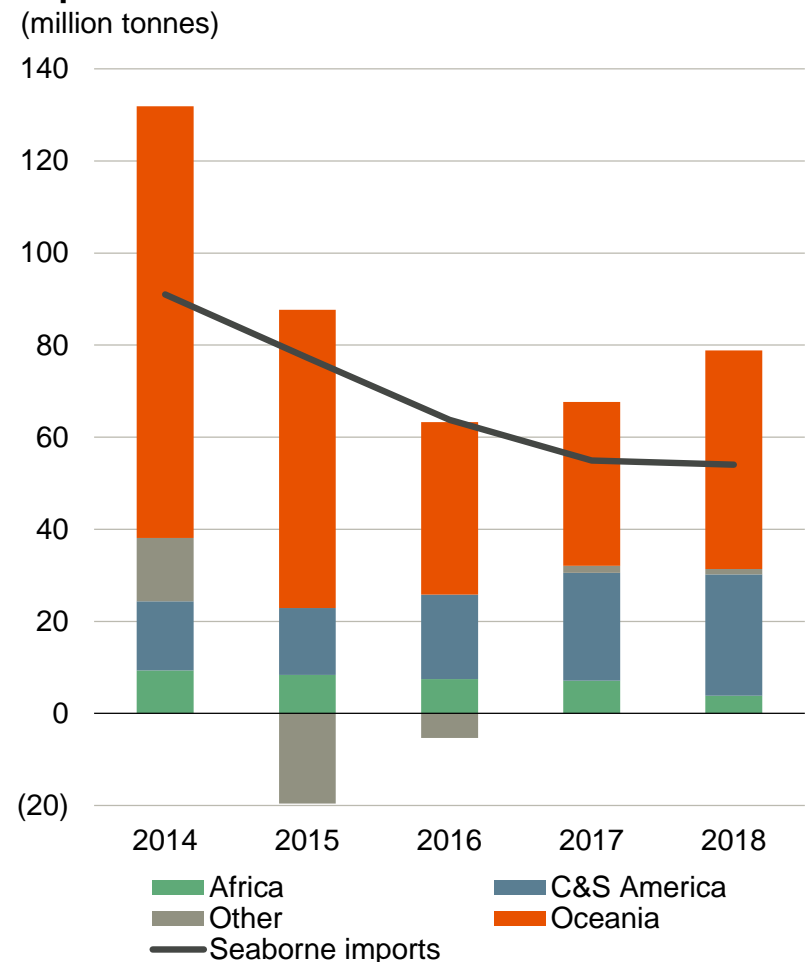


Source: SMM Survey.

Significant low cost supply will enter the market

- Over the next five years supply growth is expected to exceed demand growth
- The majority of supply growth will be low cost
 - largely from Australia and Brazil
 - no major African projects expected to be developed by 2018
- High cost domestic Chinese supply will be displaced as will other opportunistic supply sources

Incremental growth in seaborne imports and exports (million tonnes)

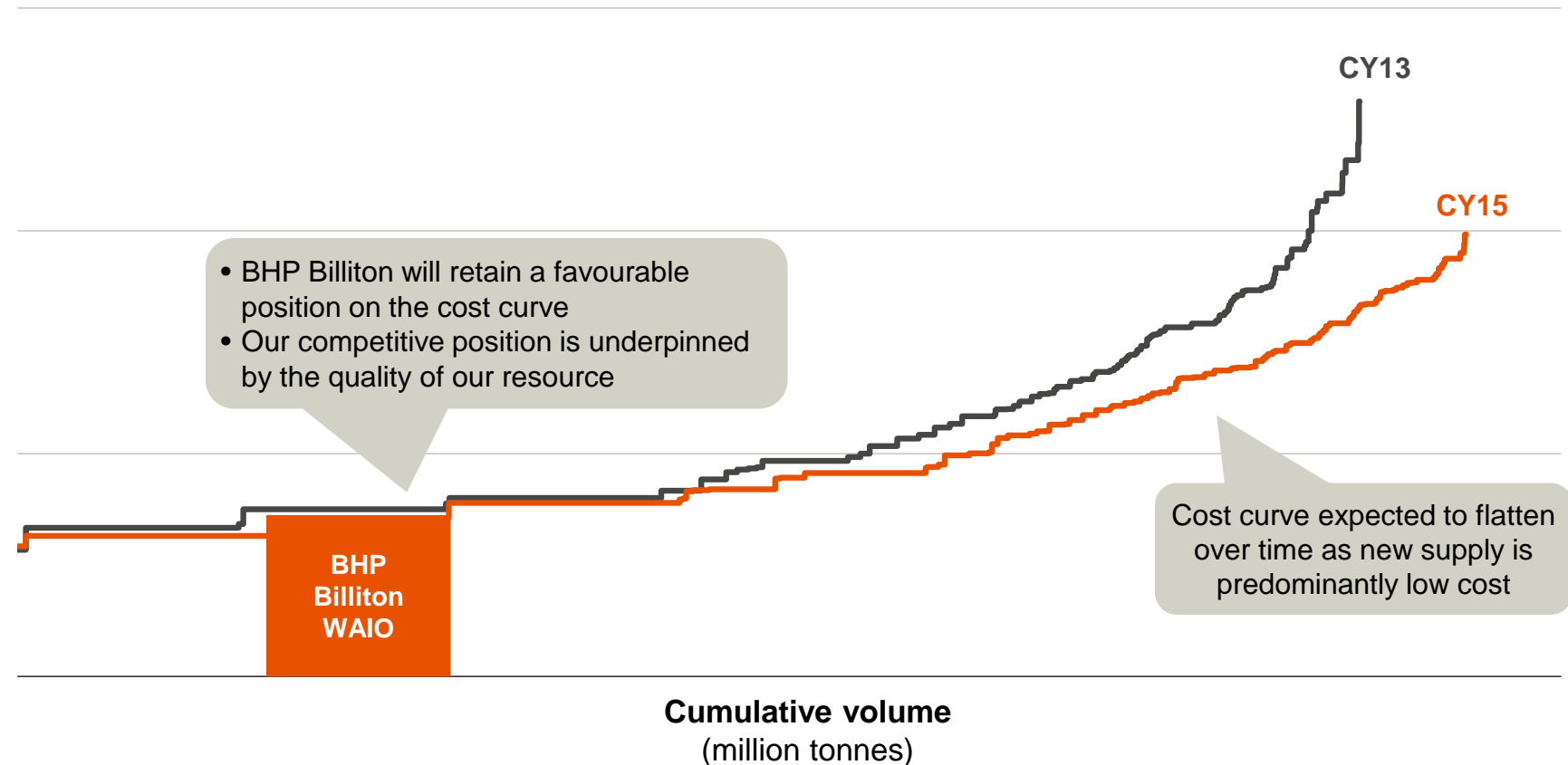


Source: CRU.

We are well positioned as the cost curve flattens

Cost curve for iron ore fines

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

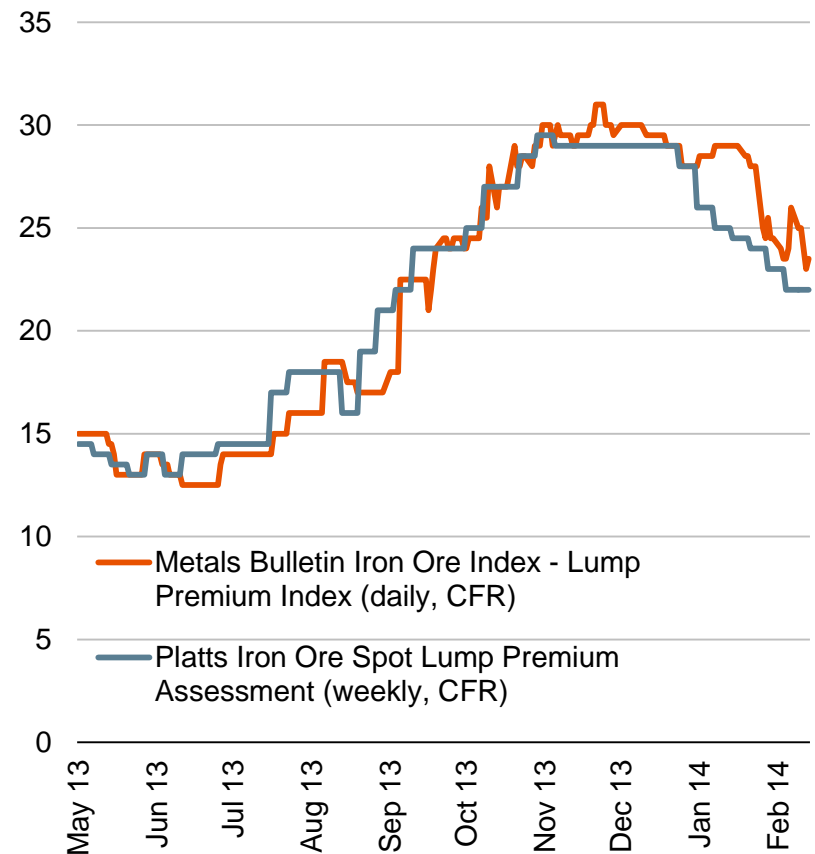


Source: Macquarie Research, October 2013.

We will benefit from demand for high quality ores

- Increasingly stringent pollution controls in China are impacting steel producers
 - new, larger blast furnaces require higher quality raw materials to operate efficiently
 - sintering emissions reduced by increasing lump content of the feed burden
- Our product suite will benefit from this developing trend

Lump premium
(USc/dmtu)

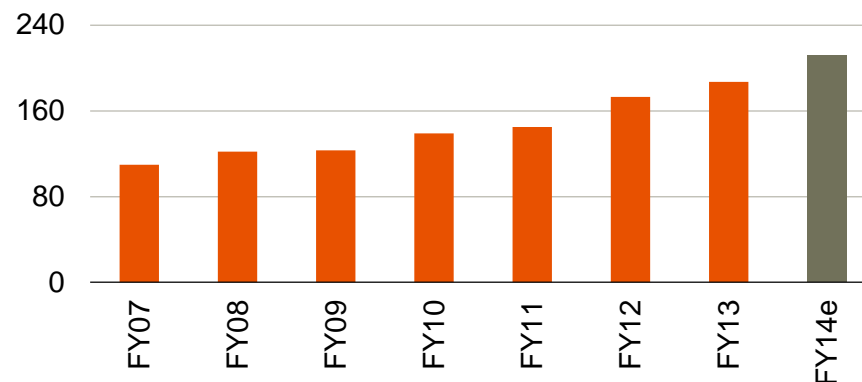


Continuing strong production growth at WAIO

- Record WAIO production of 108 mt¹ in H1 FY14
- Full year guidance upgraded to 212 mt¹ during the period
- Strip ratio has trended higher since FY12 and is expected to average ~1.3 over the next five years
 - higher strip tonnes from Whaleback and Area C
 - partially offset by lower strip tonnes from Yandi
 - ramp up of Jimblebar Mine Expansion temporarily increases strip

WAIO production

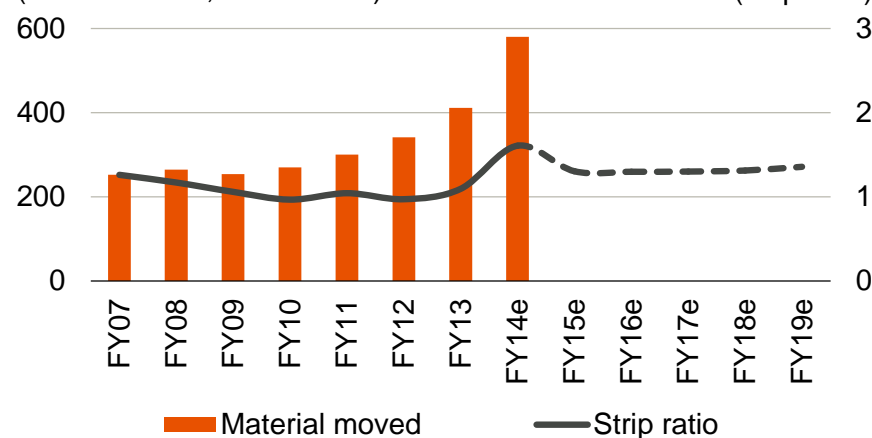
(million tonnes, 100% basis)



WAIO material moved and strip ratio

(million tonnes, 100% basis)

(strip ratio)



1. 100% basis.

Accelerated delivery of the Jimblebar mine

- New Jimblebar mine was completed in late CY13 with first production delivered six months ahead of schedule
- Relocatable crushers deployed to commission the stockyard and train load out early
- First phase approved to 35 mtpa¹ with installed ore processing capacity of 55 mtpa¹
- Expansion from 35 mtpa¹ to 55 mtpa¹ will be low cost
- Productivity has been the focus with staffing levels 25% less than planned



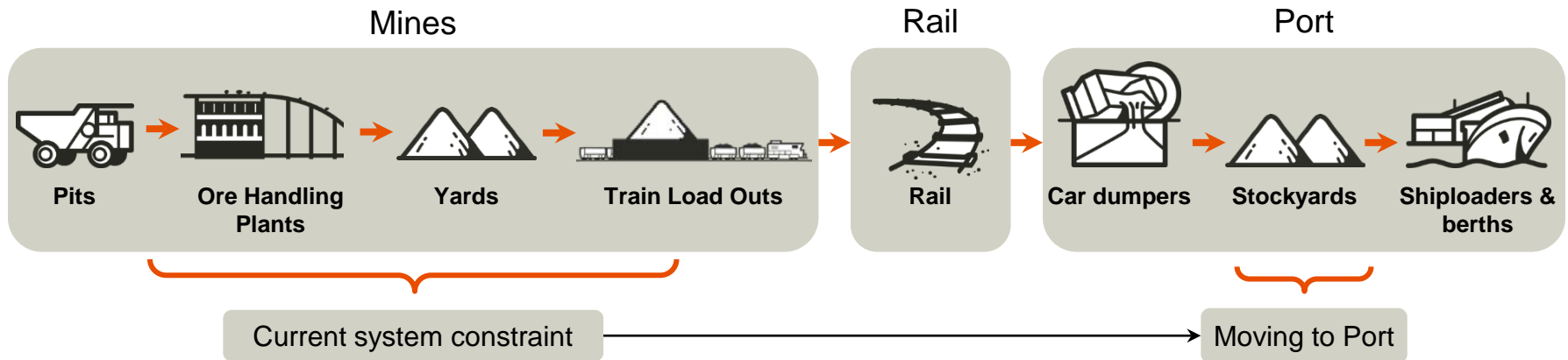
Jimblebar ore handling plant



Jimblebar train load out

1. 100% basis.

Integrated supply chain approach to productivity

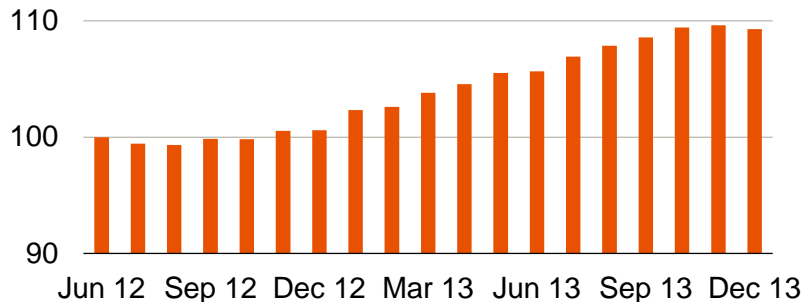


Key productivity levers at mines:

- Availability and utilisation of key equipment
- Shovels, trucks and fixed plant

WAIO truck hours

(12 month moving average, index, June 2012=100)

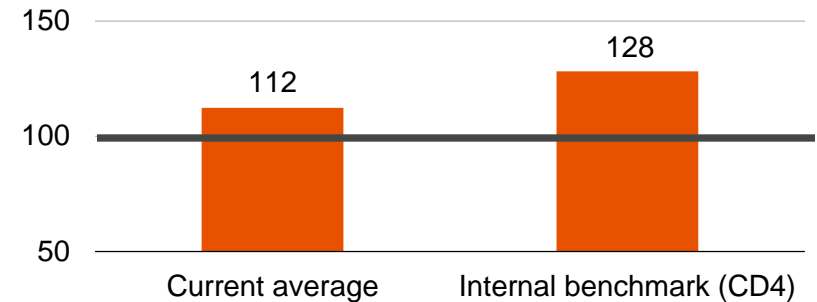


Key productivity levers at port:

- Rake interchange times
- Dumping cycle times
- Inflow routes and reclaimer optimisation

Car dumping performance

(nameplate = 100%)

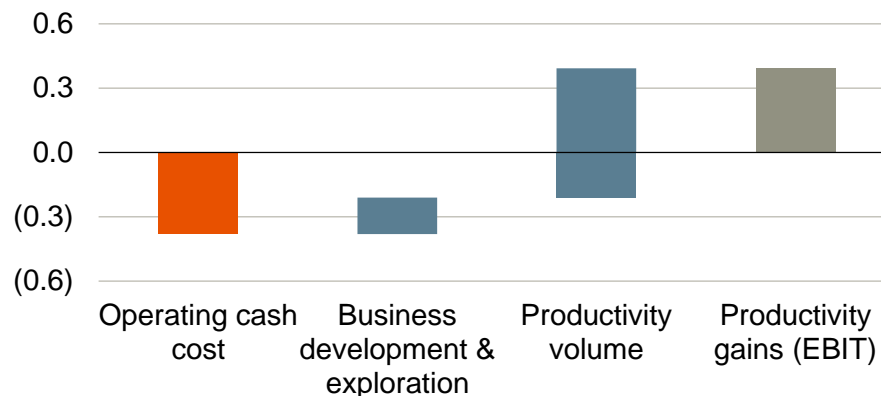


Unlocking shareholder value through productivity

- Sustainable operational improvement is the highest value adding thing we can do
- Integrated remote operations centre at WAIO is fully operational and adding value
- Supply chain debottlenecking contributed to a 5 mtpa¹ uplift to FY14 production guidance
- Use of relocatable crushers to increase volumes a value maximising decision
 - additional high margin tonnes more than offset incremental crushing costs
 - delivered higher EBIT and capital efficiency
- Firm focus on cost reduction going forward

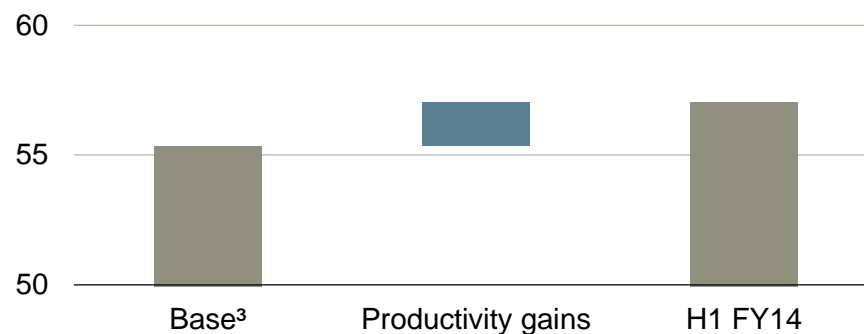
Iron Ore productivity gains²

(US\$ billion)



Iron Ore productivity = capital efficiency

(EBIT to NOA, %)



1. 100% basis.

2. Represents annualised volume and/or cash cost productivity efficiencies embedded within the H1 FY14 result relative to the FY12 baseline.

3. Base represents the H1 FY14 return prior to productivity gains (EBIT) and any associated capital expenditure.

Capital efficient growth of WAIO system capacity

We can grow system capacity towards 260–270 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 mtpa to 55 mtpa
- Debottlenecking and relocatable crushers can unlock a further +20 mtpa across our portfolio of mines



Rail

- Dual track rail can deliver required capacity with modest investment



Port

- Five car dumpers installed with optimised throughput potential of 55–60 mtpa per dumper
- Eight shiploaders installed with optimised throughput potential of 35–40 mtpa per shiploader
- Low cost opportunity to debottleneck conveyor, stockyard and stacker-reclaimer systems

Progressive upgrades to increase port capacity

Shiploader replacement project

- Replacing two shiploaders at Nelson Point at a cost of US\$301 million (BHP Billiton share)
- Commissioning scheduled for H2 CY14
- Will increase the reliability of the inner harbour port facilities and increase loading capacity



Additional port upgrades

- Selective upgrade of conveying routes, stackers and bucket wheel reclaimers at Nelson Point and Finucane Island
- Expansion of the lump rescreening capacity at Finucane Island



Key themes

- Strong steel production outlook continues to underpin iron ore demand
- Significant additions of low cost supply will flatten the cost curve
- China's environmental policies are leading to a preference for quality iron ore
- We continue to grow WAIO production, targeting 212 mt¹ in FY14
- Our approach to productivity is delivering a sustainable improvement in returns
- Capital efficient debottlenecking of the supply chain towards 260–270 mtpa

1. 100% basis.



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resourcing the future