

BHP

Western Australia Iron Ore South Flank update

Presentation & Speech

4 October 2022



BHP

South Flank

Steve Campbell
General Manager South Flank

4 October 2022

Hi, my name is Steve Campbell, and I'm General Manager South Flank.

Welcome to BHP's newest iron ore mine – part of the world's largest iron ore hub.

Thanks for making the trip to visit us here today.

Before I go into the slides, a little bit about myself. I have worked in the mining industry for over 25 years, starting out as a fixed plant electrician, before becoming a qualified electrical engineer. I have worked in almost every operational role there is across mining. The first 20 years or so were with Rio Tinto and the last 5 here at BHP across maintenance, rail and mining.

We are extremely proud of what we have achieved here and are super excited to show you around our new state-of-the-art operation.

South Flank is a world-leading, integrated mining operation that will help underpin WAIO's, and BHP's, business for many years to come. It is one of the most significant and largest developments since mining began in the Pilbara back in the 1960s and will replace ore from our Yandi operation, which is winding down.

The South Flank story starts with excellence in project delivery, how we adopted a leading approach to the design and execution of this \$3.6 billion project, enabling us to bring it online, on budget and on schedule, through a global pandemic. And we paid back that investment within 18 months – a wonderful achievement.

Over the next 20 minutes or so, I'll provide you with an overview of our operations here. We will then have a short safety induction and take you onsite. There is a lot to get through, so I'll keep things moving.

Disclaimer

Forward-looking statements

This presentation contains forward-looking statements, including: statements regarding our strategy, our values and how we define success; our expectations of a competitive advantage for our business or certain products; our commitment to generating social value; our commitments under sustainability frameworks, standards and initiatives; our intention to achieve certain sustainability-related targets, goals, milestones and metrics; statements regarding trends in economic outlook; commodity prices and currency exchange rates; demand for commodities; medium-term guidance; production forecasts; operational performance; expectations, plans, strategies and objectives of management; climate scenarios; 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 expenditure or costs and scheduling; operating costs, including unit cost guidance, 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, 'guidance', 'outlook', 'prospect', 'target', 'intend', 'aim', 'ambition', 'aspiration', 'goal', 'project', 'anticipate', 'estimate', 'plan', 'believe', 'expect', 'commit', 'may', 'should', 'must', 'will', 'would', 'continue', 'forecast', 'trend', 'annualised' or similar words. These statements discuss future expectations concerning the results of assets or financial conditions, or provide other forward-looking information.

The forward-looking statements are based on the information available as at the date of this presentation and/or 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 in this presentation 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. 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 the Ukraine conflict and 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, or metals 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 and/or metals extracted to applicable markets; the impact of foreign currency exchange rates on the market prices of the minerals 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 Ukraine conflict and the COVID-19 pandemic and their impact on our business; political uncertainty; labour unrest; and other factors identified in the risk factors discussed in section 9.1 of the Operating and Financial Review in the Appendix 4E and 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

Unless specified otherwise: operations includes operated assets and non-operated assets; total operations refers to the combination of continuing and discontinued operations; continuing operations refers to data presented excluding the impacts of Onshore US from the 2017 financial year onwards and excluding Petroleum from the 2021 financial year onwards; references to Underlying EBITDA margin exclude third party trading activities; data from subsidiaries are shown on a 100 per cent basis and data from equity accounted investments and other operations is presented, with the exception of net operating assets, reflecting BHP's share; medium term refers to our five year plan. Numbers presented may not add up precisely to the totals provided due to rounding. All footnote content (except in the Annexures) is contained on slide 13.

Non-IFRS information

We use various Non-IFRS information to reflect our underlying performance. For further information please refer to Non-IFRS financial information set out in section 11 of the Operating and Financial Review in the Appendix 4E for the year ended 30 June 2022.

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 release, the terms 'BHP', the 'Company', the 'Group', 'BHP Group', 'our business', 'organisation', 'we', 'us', 'our' and 'ourselves' refer to BHP Group Limited and, except where the context otherwise requires, our subsidiaries. Refer to note 28 'Subsidiaries' of the Financial Statements in the Appendix 4E for a list of our significant subsidiaries. Those terms do not include non-operated assets. This release covers BHP's functions and 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 or that have been owned as a joint venture operated by BHP (referred to in this release as 'operated assets' or 'operations') during the period from 1 July 2021 to 30 June 2022.

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'). Notwithstanding that this release may include production, financial and other information from non-operated assets, non-operated assets are not included in the BHP Group and, as a result, statements regarding our operations, assets and values apply only to our operated assets unless stated otherwise.

1. References in this release 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.



First of all, we would like to acknowledge and pay respects to the Banjima people who are the Traditional Custodians of the Land, Air and Waterways on which we operate, and where we meet today.

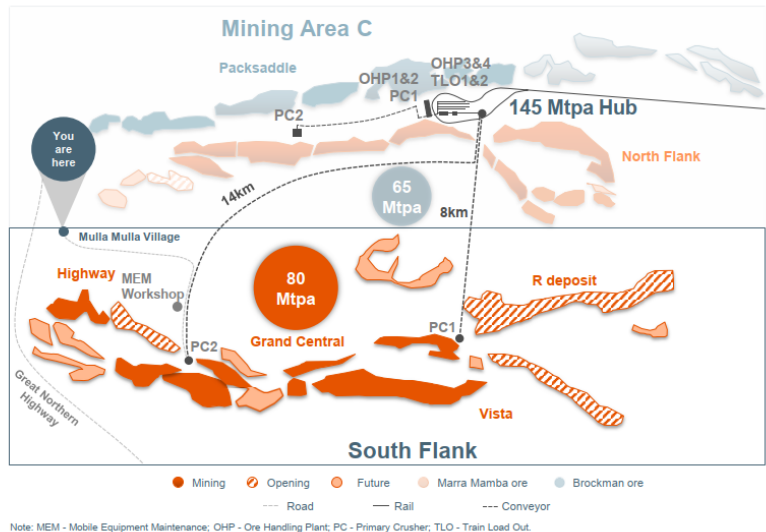
Working with the Banjima people is of great importance to BHP. The South Flank expansion builds upon a well-established relationship that spans four decades. BHP acknowledges the contribution that Banjima people have made to the Australian economy and to BHP's continuing success.

We pay respect to the Elders both past and present, and to the emerging leaders of these nations, and extend that respect to other Aboriginal and Torres Strait Islander peoples present today.

The world's largest iron ore hub

Large, long-life, low-cost, expandable

Project excellence	US\$3.6 billion investment, delivered on time and budget during global pandemic
Large	80 Mtpa South Flank operation, expanding overall Mining Area C (MAC) hub to 145 Mtpa
Long-life	Expanded MAC hub sits at heart of large, high quality resource, with potential to support 45+ years mine life
Low-cost	Lowest unit cost operation in WAIO achieved through shared facilities and advanced operational design
Expandable	~35% of WAIO's total Mineral Resource is located within 50 km of MAC processing infrastructure
Quality	Increases WAIO average grade from ~61% to ~62% and lump proportion from ~25% to 30-33% ¹



Western Australia Iron Ore site tour
4 October 2022

I'd like to introduce Andrew Buckley – General Manager of Mining Area C, a Mining Engineer, with 20 years' experience as an owner, operator, and contractor across a range of commodities, a seriously experienced miner. We're neighbours and we share some infrastructure and facilities. Together as MAC and South Flank, we are the World's largest iron ore mining hub.

Right now, we are about 150 kilometres northwest of Newman, and as you can see on this map where Mulla Mulla Village is located in relation to the rest of our expansive operation. We began construction at South Flank in 2018 and achieved first production in May 2021. Around 9,000 direct and indirect jobs were created during the construction period, and there will be more than 900 ongoing operational roles during the life of mine. We have constructed benchmark infrastructure and facilities including our Mobile Equipment Maintenance (MEM) workshop, two enormous primary crushers, over 25 kilometres of overland conveyors, and the crushing and screening ore handling plant. To give you an idea of our size – for those of you who know Perth – we stretch from the Perth CBD south to Bull Creek and west to Fremantle – South Flank is huge! We have also developed three open-cut pits, six fines stockpiles, and eight lump stockpiles in our stockyard and train-loading facilities where we operate the largest bulk commodity track machines in Australia within our rail loop. Finally, we substantially expanded our accommodation village to cater for up to 2,500 FIFO workers, that services both MAC and South Flank, with facilities that are second to none, you will be staying here this evening.

Since production started, South Flank has produced over 65 million tonnes of high-quality iron ore, and we are on track to ramp up to our planned 80 million tonne per annum capacity within 3 years. Our operations are located in the heart of a large, high quality resource and are expected to have a lifespan of at least 45 years.

South Flank was delivered with a comparatively low capital intensity of just \$45 per tonne, due to project design, as well as low-cost access to existing infrastructure such as power, water and the airport. At the planned 80 million tonnes per annum once fully ramped up, we will be big in our own right, but what's also exciting is the additional value we are unlocking by incorporating South Flank into the Mining Area C or MAC hub, establishing a 145 million tonne per annum mega iron ore hub, the largest in the world.

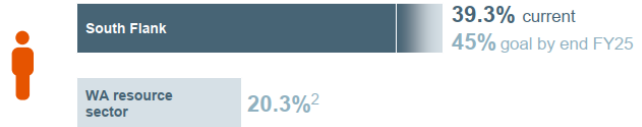
We can do this efficiently and cost-effectively because of the modular approach we have taken to construction and the flexibility we have created in pretty much everything we do here. South Flank will improve BHP's customer value proposition, increasing both the iron content and the lump to fines ratio across our product offering. Our iron-rich Marra Mamba ore is similar in mineralisation and structure to the North Flank resource currently mined at MAC. Our fines are blended into MAC fines, maintaining iron ore grade stability, with lump blended at Port Hedland into the Newman Blended Lump product.

Inclusion and diversity embedded from the start

South Flank presented a unique opportunity to shape a workforce reflective of the communities in which we operate

- South Flank has been conceived as a truly diverse mining operation
- How we achieved this
 - dedicated resourcing project team
 - targeted recruitment campaigns
 - traineeships and apprenticeships supported by the BHP Future Fit Academy
 - career pathways for new to industry and diverse employees
 - building leadership capability to support our increased diversity
 - enhanced on-boarding experience
 - investing to improve safety and security at our accommodation village
- ~90% of total required operating workforce recruited

Female participation (% of workforce who identify as female)



Indigenous participation (% of workforce who identify as Aboriginal and/or Torres Strait Islander)



Western Australia Iron Ore site tour
4 October 2022

Our people are really important to us, and one of the great things about establishing a new operation is the opportunity to shape your workforce from the beginning, so it reflects the communities around us. That’s what we did here.

We consciously created an inclusive and diverse workforce from the start, with a focus on high female and Indigenous representation, supported by the BHP Future Fit Academy that provides fast tracked traineeships and apprenticeships at the training facility in Welshpool, near the Perth Airport. The portion of our workforce that identify as female is 40 per cent, almost double the industry average, and we have a goal to increase that by a further five percentage points by the end of FY25.

Indigenous employees and contractors represent 15 per cent of our workforce, nearly triple the average of the WA resource sector.

Supporting the local communities in which we operate is important to us, and we will continue to develop a pipeline of skilled labour by offering apprenticeships and traineeships through our Future Fit Academy, hiring locally wherever possible to ensure local people gain new skills and experience.

At South Flank, health and wellbeing are seen as a prerequisite for safety and production. Importantly, we made the decision to limit alcohol within our camps, introducing a daily limit of four alcoholic drinks. This was done with the aim of ensuring our camps and work locations are safe and inclusive for our entire workforce and others in the industry followed suit soon after. We also recently held safety STOP discussions across all teams to bring focus to this very important topic of sexual harassment, as well as racism and bullying, all of which are not tolerated in our workplace.

In addition to safety, we look to enhance the physical and mental wellbeing of our workforce. In the village here, we provide facilities such as a swimming pool, multi-sport all-weather courts, fully equipped gyms, walking and running tracks, squash courts and many more. A few of my favourites include the cooking classes, the Tuesday night quiz night and the virtual golf driving range.

From a mental health perspective, we have established a peer support program, an Inclusion and Diversity council and a village residents committee. All of these help to create a sense of belonging for all of our residents.

We have also established a dedicated cultural space to promote cultural safety and healing by providing a place where people could come together to share and celebrate Aboriginal culture and connect with Country.

Partnering with our Indigenous stakeholders

Our success is underpinned by ongoing and sustainable collaboration with Banjima Traditional Owners

Consultation

- **Relationships** built over 20+ years with regular consultation through routine meetings, and collaboration with Banjima Native Title Aboriginal Corporation (BNTAC)
- **Commitment** to further additional consultation via the jointly established Heritage Advisory Council
- **Co-creation** of plans with Traditional Owners
- **Share** knowledge as part of Heritage and Environmental surveys

Engagement

- **Inclusion** and participation of Banjima Traditional Owners in South Flank events
- **Expand** Indigenous and non-Indigenous employee understanding of Banjima Country with our interpretative Culture Space
- **Support** Indigenous employees with access to Peer Support networks and Yarning Circle

Procurement

- **Assist and create** long-term Banjima business capacity – recently appointed a Banjima business to operate and maintain MAC OHP4 (~30 Indigenous FTE; ~A\$71m contract)



Western Australia Iron Ore site tour
4 October 2022

The Banjima people are the traditional custodians of the land on which the South Flank and the expanded MAC Hub operations sit.

Both Andrew and I meet regularly, face to face, with the elders and the Traditional Owner family groups, spending time on country with them, discussing cultural heritage and learning their storylines and song lines – witnessing their deep connection to this land. BHP more broadly has enjoyed a close connection with the Banjima community since the early 1980s.

Working together, we have comprehensively surveyed the South Flank project area and undertaken research to better understand the complexity of the surrounding heritage landscape.

Our successful collaboration is enhancing our mine design and extraction methodologies to sustain and preserve culturally significant sites.

Post the Jukkan Gorge incident at Rio Tinto, BHP committed to re-consult across all of our Pilbara operations. This takes time. We are about one year into what we expect will be a three year consultation process.

We co-create our plans in partnership with the Banjima people, and have made some positive and valuable adjustments, such as re-routing the road design to the Primary Crushers to cater for protection of some cultural heritage sites and any such adjustments are expected to have only minimal impacts on our long-term plans.

Our relationships with the Banjima people are strong and we continue to drive mutually beneficial outcomes.

We are also increasing our procurement spend with Traditional Owners. We recently announced an historic \$71 million agreement with PMW Industries, a business wholly owned and operated by Banjima people, to operate and maintain Ore Handling Plant 4, a semi-mobile crushing and screening plant at our Mining Area C operation on Banjima land. We'll have an opportunity to see OHP4 later today.

This initiative supports approximately 30 Indigenous full-time equivalent roles, and represents around \$18 million in annual spend.

This is a positive step in our intention to more than double our spend with Indigenous businesses across WAIO to more than \$300 million per annum by FY24.

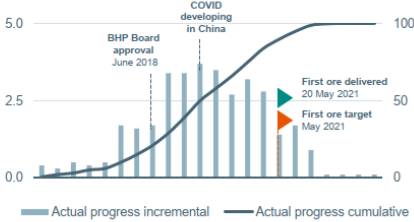
Excellence in project delivery

Fastest ramp up for a WAIO development; payback achieved within 18 months

Delivery

- New Integrated Project Team (IPT) approach where construction teams are integrated with the operations teams and functional partners
- Modularising process plant offshore allowed faster execution once delivered to site
- First ore delivered May 2021, achieved whilst construction continued
- Consolidated prior learnings into design – setting new benchmark for others

Completed on time despite challenges of COVID-19

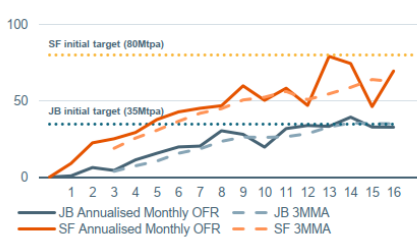


Note: JB - Jimblebar; SF - South Flank; PC - Primary Crusher; OFR - Ore For Rail; 3MMA - 3 Month Moving Average; TRIF - Total Recordable Injury Frequency.
Western Australia Iron Ore site tour
 4 October 2022

Ramp-up

- Achieved 75% nameplate capacity ahead of stretch target
- OHP3 highest monthly average of 79 Mtpa achieved in May 2022
- Expect to achieve 80 Mtpa rate sustainably within the planned three year timeframe

Ramp up 2x faster than Jimblebar



Performance

- Excellent safety outcome during execution
 - TRIF³ 5.7
 - 195,000 Field Leadership activities
- Production of 49.6 Mt in FY22
- Modular design improves maintenance efficiency
- Lowest unit cost operation in WAIO
- First quartile emissions intensity⁴
- Low capital intensity (US\$45/t)
- Payback achieved within 18 months

Now, let me now turn to how we've delivered this project.

South Flank is like no other BHP project to date and has set a new standard for project delivery with some learnings from South Flank being directly translatable to other projects, such as Jansen. There are two main reasons for this, both of which are innovative for our industry and for an investment of this scale.

Firstly, we pioneered a new model for project delivery, using an Integrated Project Team. This brought people from Engineering, Procurement and Construction Management together with the Project and Operational delivery teams, and fostered a collaborative approach between internal and external parties to safely deliver the project.

This approach allowed BHP to maintain overall management control over safety, design, cost and schedule; but also accessed previous project development and delivery experience within our business and our engineering partners.

The second reason came from our construction approach. We modularised fabrication of much of the fixed plant infrastructure. This enabled construction of major components offsite, reducing the onsite safety risks as well as the onsite assembly time. Important to note also that we mitigated Covid-19 impacts during the construction phase by focusing on the health of the local workforce and limiting site travel for those, other than on the frontline.

We deliberately made a staggered start to production. First ore was achieved through the delivery of a single primary crusher and the subsystems required for ore processing, enabling production to start whilst construction continued around it. The project was delivered on time and budget, and South Flank has ramped-up the fastest of any project in WAIO history – twice as fast as Jimblebar. We achieved the 60 million tonne rate, 75 per cent nameplate capacity, two months ahead of the stretch target, and remain on track to deliver the full rate of 80 million tonnes in line with the 3-year ramp up profile.

Most importantly, we have had an excellent safety performance during project execution, with a TRIF of 5.7, and a strong focus to bring this down further as we continue to ramp-up.

As I mentioned earlier, South Flank was delivered with a low capital intensity of just \$45 per tonne, due to project design, as well as low-cost access to existing infrastructure. Combined with the economies of scale we achieve as part of the MAC Hub, modular plant design, and increasing use of autonomy, South Flank is the lowest unit cost operation in the WAIO business. Furthermore, it has a relatively low greenhouse gas emissions intensity.

Modular approach to fabrication and maintenance

Excellence by design: built to enable improved safety and shut down efficiencies

- Project execution strategy sought to reduce risk (exposure hours and physical) associated with steelwork erection, without compromising quality, cost or productivity
 - mix of modular, pre-assembled and single-member or stick-built fabrication of 36,000 tonnes of steel
 - contracts awarded to fabricators in Western Australia, Australia and offshore (Tianjin, China)
- Design of key infrastructure facilitates modular maintenance
 - safety by design by removing people from the line of fire
 - reduces replacement time
 - enables offline refurbishment improving shut efficiency
 - improves quality of repair work as the work no longer completed in the critical shut paths
 - reduces cost
 - enabler for diverse workforce



Western Australia Iron Ore site tour
4 October 2022

8



Now, I want to talk about our modular approach in a little more detail, as it is a key point of difference in terms of what we have done at South Flank.

This includes both: the modular approach to construction; as well as the modular plant design, which is improving maintenance activities across the board.

During the design and construction phase, we consolidated our learnings from prior projects and opted for a strong 'safety in design' modular focus.

This reduced the risks associated with steelwork erection onsite, a high risk, labour intensive activity, without compromising quality, cost or productivity.

As part of South Flank's construction, 36,000 tonnes of steel were fabricated in Australia and offshore in China and pre-assembled into modules before being brought to Port Hedland.

We've also taken a modular approach to design our plant to deliver safer, better outcomes during our maintenance activities. Essentially, the modular design to various components allows us to substitute parts requiring repair while keeping the plant running, reducing downtime and therefore impacts to production.

This is occurring in our screening and crushing facilities. But also elsewhere, at Train Loadout 2, for example, which has been designed to allow a significant proportion of bins structure to be rotatable, meaning they can be changed out with a spare, rather than repaired in situ reducing downtime required to replace liners.

This modular approach also improves safety and is an enabler for diversity by making tasks more accessible through the reduction of manual handling. Offline refurbishment also sees improved quality repair work by removing tasks from the shutdown critical path. Andrew and I will point out a few examples as we move around the site today.

Now that we have proven the success of this approach at South Flank, it has set a new benchmark for future projects across BHP.

Designed with the future in mind

South Flank was delivered automation ready and all fleet is able to run in an autonomous environment

Autonomous blast hole drills
deployed from day 1



Automation-ready mine design
enabling fast deployment of
autonomous haul truck fleet



Ability to remotely control aspects of
daily operations from IROC



Western Australia Iron Ore site tour
4 October 2022

9

BHP

South Flank was delivered autonomous ready, with a stable, high-speed communications backbone.

We bought a new mining fleet that was ready to go. The 9600 Liebherr diggers, which are the first of their kind in the world and the Komatsu Ultra Class truck fleet, all fitted with modern technology, including Fleet Management and Collision Awareness Systems.

We initially used drivers to enable the safest and fastest ramp up but are now rapidly converting the fleet to autonomous control.

Currently, around a quarter of our 41 trucks are operated from our Control Centre here onsite and they will transition to our Integrated Remote Operations Centre, or IROC, in our Perth office after full deployment, which is expected to be completed by Q1 FY24.

Our production drilling here has been autonomous since day one. Technology is a key enabler in facilitating safer, more reliable and more productive operations and we are already witnessing the benefits across our WAIO operations. Over the past few years, we have fully automated the haul truck fleets at Jimblebar, and Newman East, with very positive results. Since deploying autonomous haulage at these sites, we have achieved a 90 per cent reduction in high potential injury events as we move our people out of the line of fire. Daily equipment availability also has improved to 89 per cent and haulage costs are 20 per cent lower compared to the WAIO non-autonomous fleet average. The reclaimer and the Train Load Out facility are also remotely controlled from IROC in Perth and all other infrastructure and fleet are designed ready to operate in an autonomous environment.

South Flank is at the heart of a large, high-quality resource

Centralised 145 Mtpa Mining Area C (MAC) hub unlocks value

- ~35% of WAIO's total Mineral Resource is located within close proximity to the expanded MAC and South Flank hub
 - all potential future sustaining mines are within 50 km of processing infrastructure
 - ability to convey to the combined hub
 - potential to support 45+ years of production⁵
- Low-cost access to existing infrastructure and utilities (e.g. power, water, airport)
- Increases utilisation of existing rail network to MAC, minimising current and future rail capital expenditure
- Decisions on longer term options will be subject to BHP's Capital Allocation Framework (CAF) and Board approval



Western Australia Iron Ore site tour
4 October 2022

So, let me quickly wrap up and talk a little bit about the future.

South Flank itself is central to a large, high quality resource, but zooming out slightly, just over one third of WAIO's total Mineral Resource is located within close proximity to the processing infrastructure of the expanded Mining Area C hub.

As you can see on the image on the slide, we have many longer-term options to sustain production volumes all within 50 kilometres of the existing Ore Handling Plants. It provides access to potential future-sustaining mines within conveying distance back to processing plants and low-cost access to existing infrastructure and utilities. By increasing utilisation of existing rail, we will minimise future capex requirements.

We of course need to complete a lot of study work before we make any decisions on where we will mine next and any decision we do look to make, will be subject to BHP's Capital Allocation Framework and Board approval. But what we've got is a world-class, modern operation here that can efficiently and cost-effectively supply high-quality iron ore for decades to come.