INVESTORS AND ANALYSTS VISIT – SEPTEMBER 2003
Worsley Joint Venture
Ownership Structure

- BHP Billiton: 86%
- KAA: 10%
- N.I.A.: 4%

Worsley Alumina Joint Venture
Bauxite Mine Data

- **332 Mt remaining Ore Reserves (at 1 January 2003)**
- **Additional indicated resources of 144 Mt (at 1 January 2003)**

**121 Mt mined to date** (from 1984)

1987 hectares cleared
1230 hectares rehabilitated

- **Key mining equipment**
  - 11m³ excavator (backhoe config.) x 2
  - 12m³ front end loader x 2
  - 105t rear dump trucks x 11
  - Bulldozer (575) x 1

- **Approx 30 year mine life at 3.2 Mtpy refinery capacity**
- **Plan FY2004 Bauxite Production is 10.5 Mt**
- **Employ approx. 160 employees (FTE) & 40 contractors (FTE)**
Forest Management

• Lease situated within State Jarrah Forest
  • 784 plant species, 130 species of vertebrates and 150 bird species

• Forest Management - Dieback hygiene
Forest Rehabilitation
Conveyor

- Cable Belt design
- 51 Kilometers in 2 flights
- Travels at 26 kilometers per hour
- 2,750 tonnes per hour delivery
- 68,000 pulley wheels
Refinery

- 2,500 hectare lease
  - 100 hectares refinery site
- Headwaters of Augustus River
- 905 employees
- 289 Contractors
- Continuous operation
- Bayer process
- FY 2004 3.25mtpa 8900 tonnes per day
- Equidistant from bauxite, coal & port
- Established infrastructure
Worsley Production

1984  Worsley Commenced
1995  Production 1.7 Million Tonnes
2001/2  Production 3.1 Million Tonnes (Expansion Design)
2003/4  Production 3.25 Million Tonnes
2006/7  Production 3.5 Million Tonnes – subject to approval of feasibility study and successful project completion
Other W.A. Refinery Production

1963 KWINANA COMMENCED PRODUCTION
1972 PINJARRA COMMENCED PRODUCTION
1984 WAGERUP & WORSLEY COMMENCED
1995 COMBINED PRODUCTION APPROX. 6.5 MILLION TONNES
2003 COMBINED PRODUCTION ESTIMATED 7.8 MILLION TONNES
Total W.A. Refinery Production

2003 COMBINED PRODUCTION ESTIMATED 11.0 MILLION TONNES
Rankings by full operating costs year 2003
(refineries estimated at less than US$120 per tonne)

<table>
<thead>
<tr>
<th>Refinery</th>
<th>Capacity</th>
<th>US$</th>
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</thead>
<tbody>
<tr>
<td>Damanjodi</td>
<td>1575.0</td>
<td>73.5</td>
</tr>
<tr>
<td>Worsley</td>
<td>3200.0</td>
<td>82.6</td>
</tr>
<tr>
<td>Pinjarra</td>
<td>3500.0</td>
<td>86.6</td>
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<tr>
<td>Wagerup</td>
<td>2300.0</td>
<td>87.3</td>
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<tr>
<td>Pavlodar</td>
<td>1350.0</td>
<td>100.5</td>
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<tr>
<td>Pingguo</td>
<td>650.0</td>
<td>106.3</td>
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<tr>
<td>Paranam</td>
<td>1925.0</td>
<td>109.5</td>
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<td>Gladstone (QAL)</td>
<td>3650.0</td>
<td>110.6</td>
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<tr>
<td>Belem</td>
<td>2300.0</td>
<td>112.1</td>
</tr>
<tr>
<td>Guizhou</td>
<td>700.0</td>
<td>114.3</td>
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<tr>
<td>Alcan Gove</td>
<td>1850.0</td>
<td>116.7</td>
</tr>
<tr>
<td>Kwinana</td>
<td>2150.0</td>
<td>119.8</td>
</tr>
</tbody>
</table>

Source: BH-alumina cash costs-2003 Brook Hunt
Rankings by full operating costs year 2003

(refineries estimated at less than US$120 per tonne)

Source: BH-alumina cash costs-2003 Brook Hunt
Alumina Refining costs year 2003

Source: BH-alumina cash costs-2003 Brook Hunt

Worsley Alumina Pty Ltd
Powerhouse

- Provides steam, power and air to the Refinery
- Coal fired boiler/turbine cogeneration plant
- Gas turbine/waste heat boiler cogeneration plant
- Produces
  - 850 tonne per hour of steam
  - 105 MW of power
  - 120 MW of power to the grid

Worsley owns and operates coal plant and turbines
SWCJV owns gas turbine and waste heat boiler
Cogeneration plant is 75% efficient (35% conventional)
Unit Labour Usage
(tonnes per employee hour)

Tonnes Calcined per Employee Hour

1985 1987 1989 1991 1993 1995 1997 1999 2001 2003

0.6 0.8 1.0 1.2 1.4 1.6 1.8
Labour Turnover
Injury Frequency Trends
(Injuries per million hours worked)

TRIFR

LTI
## SHE Performance Indicators

<table>
<thead>
<tr>
<th>Description</th>
<th>Actual 2002</th>
<th>Actual 2003</th>
<th>Plan 2004</th>
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<tr>
<td>TRIFR</td>
<td>15.3</td>
<td>7.6</td>
<td>5.5</td>
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<tr>
<td>CIFR</td>
<td>10.6</td>
<td>3.5</td>
<td>2.5</td>
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<tr>
<td>Reportable Environmental Incidents</td>
<td>1</td>
<td>1</td>
<td>&lt;4</td>
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<tr>
<td>Achieved ISO 14001</td>
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<tr>
<td>Mine-site Rehabilitation 100 hectares per annum</td>
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Employee Relations History

1984 - 1994
- closed shop
- federal award & agreements
- traditional industrial relationship

Continuous Improvement Program

1994 - 2004
- staff contracts
- Single class employee relationship
Plan Costs (FY 2004)

- Caustic: 16%
- Energy: 16%
- Mine: 10%
- Conveyor: 4%
- Maintenance (ex labour): 14%
- Labour Mtc: 6%
- Ops Labour: 11%
- Prod'n Cons: 8%
- Contract Services: 3%
- Royalty: 3%
- Shipping & Rail: 3%
- Devel & Activity: 2%
- Other: 4%

Other: 15%
Worsley alumina customers in 2003

- China: 36%
- Mozambique: 18%
- Canada: 17%
- Middle East: 8%
- Russia: 1%
- Indonesia: 1%
- South Africa: 19%
Contribution to the Community (AUD $m Per Year)

- $100 - direct payroll costs
- $83 - to local contractors & services
- $119 - raw materials, coal, lime etc.
- $16 - rail freight contract
- $15 - State royalties
- $8 - State taxes and charges
Indexed Cash Operating Cost per tonne (AUD)
Constant Dollars (2003) (Base 1990)

Note: 2004 indexed cost is Plan, using corporate macro assumptions.
Variation of Alumina Indicator Price in 2002 Equivalent Dollars

(No Continuous Improvement)
Key Idea of the Business

Key objective for Worsley is to engage in continuous improvement to offset annual pre-tax cash loss of AUD 16 Million by:-

• More Tonnes
• Less Cost
• Improve HSE

Continuous Improvement Program
## CIP Project List - Summary (AUD 000’s)

<table>
<thead>
<tr>
<th>Year</th>
<th>Increased Production</th>
<th>Reduced Costs (Sustainable)</th>
<th>Reduced Costs (One-off)</th>
<th>One-off Costs</th>
<th>Benefits</th>
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<tbody>
<tr>
<td>FY 2002</td>
<td></td>
<td></td>
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<tr>
<td>(ref. 2001)</td>
<td>24,425</td>
<td>11,720</td>
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<tr>
<td>(ref. 2001)</td>
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<td>12,455</td>
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<tr>
<td>(ref. 2001)</td>
<td>11,720</td>
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<tr>
<td>Total</td>
<td>26,975</td>
<td>35,895</td>
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<tr>
<td>FY 2003</td>
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<td>(ref. 2002)</td>
<td>1,260</td>
<td>9,680</td>
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<td>(ref. 2002)</td>
<td>12,130</td>
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<td>FY 2004</td>
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<td>(Plan ref. 2003)</td>
<td>3,300</td>
<td>11,780</td>
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<td>(Plan ref. 2003)</td>
<td>9,390</td>
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<tr>
<td>Total</td>
<td>3,300</td>
<td>21,170</td>
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<td>FY 2004</td>
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<td>(Plan ref. 2001)</td>
<td>24,425</td>
<td>33,180</td>
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<td>(Plan ref. 2001)</td>
<td>7,110</td>
<td>33,975</td>
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<tr>
<td>Total</td>
<td>31,535</td>
<td>78,875</td>
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### Alumina production (Million Tonnes)

<table>
<thead>
<tr>
<th>Year</th>
<th>FY 02</th>
<th>FY 03</th>
<th>FY 04 (f’cast)</th>
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<tr>
<td>Alumina production</td>
<td>3.137</td>
<td>3.189</td>
<td>3.250</td>
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Worsley Alumina Pty Ltd
Average Quarterly Alumina Prices (USD/t)

- Metal Bulletin Spot
- Australian Export
BHP Billiton Aluminium positioning in alumina

- The spot price increase is recent, with the Metal Bulletin price still at $140/t at start January; $200/t in February and $275/t in April
- BHP Billiton Aluminium’s FY2003 alumina results did not fully reflect this price improvement due to:
  - Only relatively recent spot price strength (some recent high prices offset by earlier weak prices)
  - Modest available FY 2003 spot tonnages (legacy contracts pre Worsley and post Worsley acquisition obligations)
  - Stronger USD/AUD, lower FY 2003 MRN dividend and lower prices
- Alumina market fundamentals look set to remain firm
- BHP Billiton Aluminium aims to participate fully in any alumina price improvement, allowing for pre-existing contracts
Refinery expansion options

• Committed Paranam expansion – BHPB share 112ktpa for $29m
• Worsley feasibility study – BHPB share 215ktpa for $103m
• Stage 2 Worsley expansion to beyond 4mtpa
• Alumar optimisation & brownfield potential – BHPB share 600ktpa
• Suriname greenfield refinery potential using Bakhuis bauxite
• M&A & greenfield options, which are kept under active review