



BHP Billiton Iron Ore

Maximising value from our
iron ore investments

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President Iron Ore
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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.

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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.

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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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Disclaimer

Mineral Resources and Ore Reserves

This presentation includes information on Mineral Resources (inclusive of Ore Reserves) and Ore Reserves.

These have been compiled by: P Whitehouse (MAusIMM) – Western Australia Iron Ore (WAIIO) who is employed by BHP Billiton at the time of reporting. This is based on information in the BHP Billiton Annual Reports from 2007 to 2012 and other investor presentations which can be found at www.bhpbilliton.com. All information is reported under the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves, 2004' (the JORC Code).

The Compiler verifies that this report is based on and fairly reflects the Mineral Resources and Ore Reserve information in the supporting documentation and agrees with the form and context of information presented.

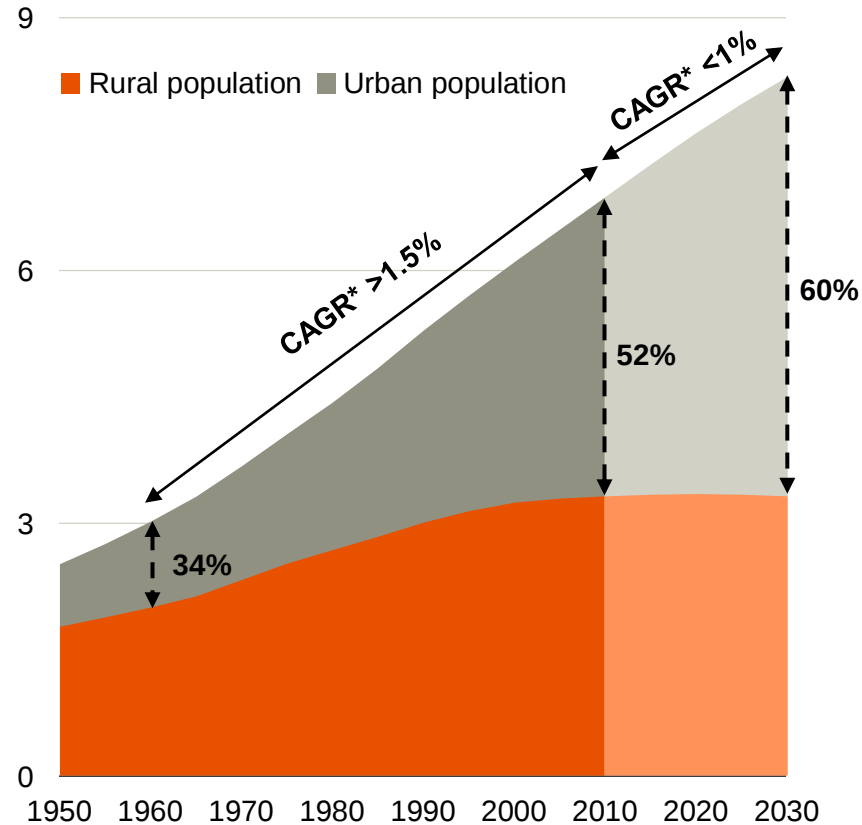
Ore Reserve and Mineral Resource classifications are contained in Table 1.

Table 1

	Proved Reserve (Bt)	Probable Reserve (Bt)	Measured Resource (Bt)	Indicated Resource (Bt)	Inferred Resource (Bt)
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

Long term drivers of demand remain intact

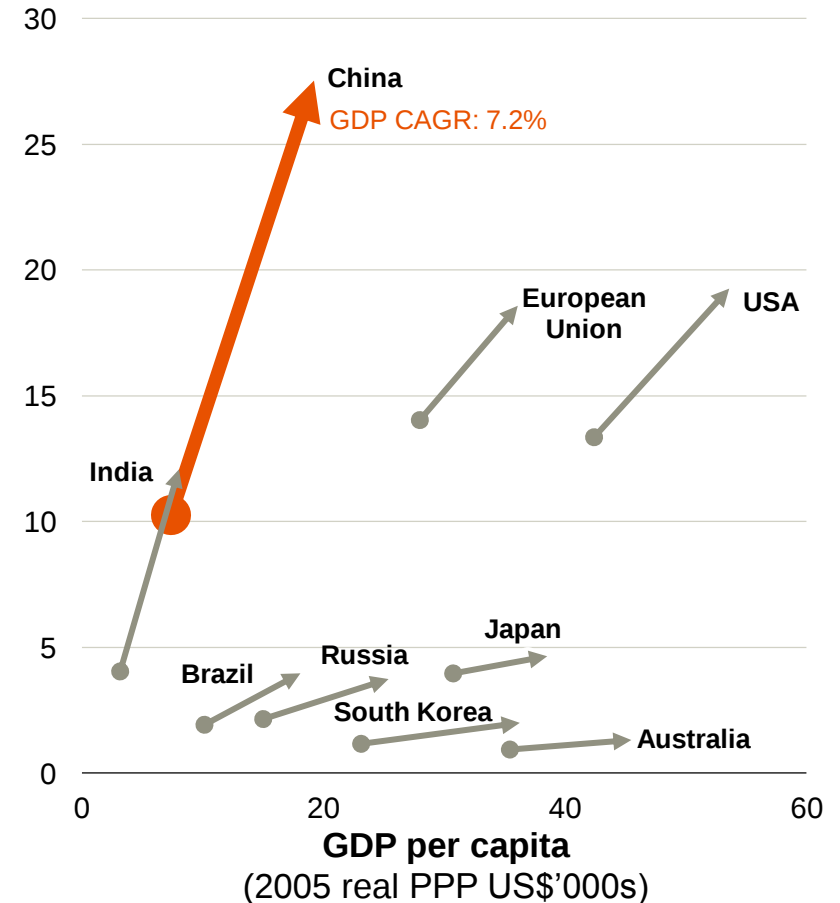
Global population growth (historical and forecast)
(billion people)



* Total global population CAGR

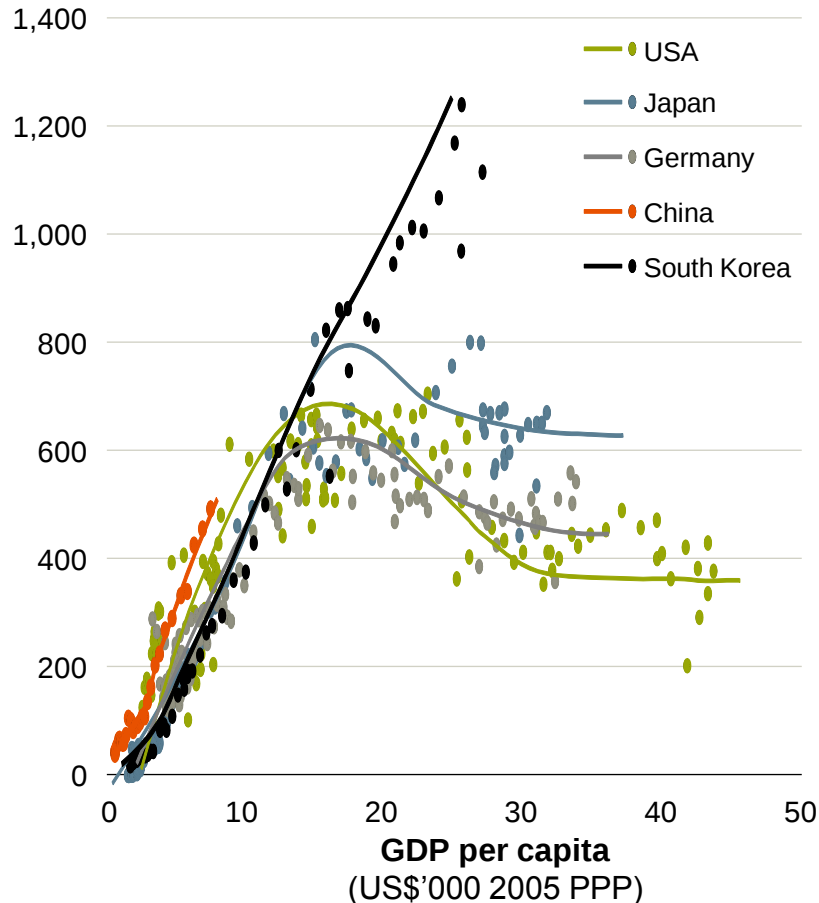
Source: United Nations (Population Division, Department of Economic and Social Affairs).

GDP change between 2011 and 2025
(2005 real PPP US\$ trillion)



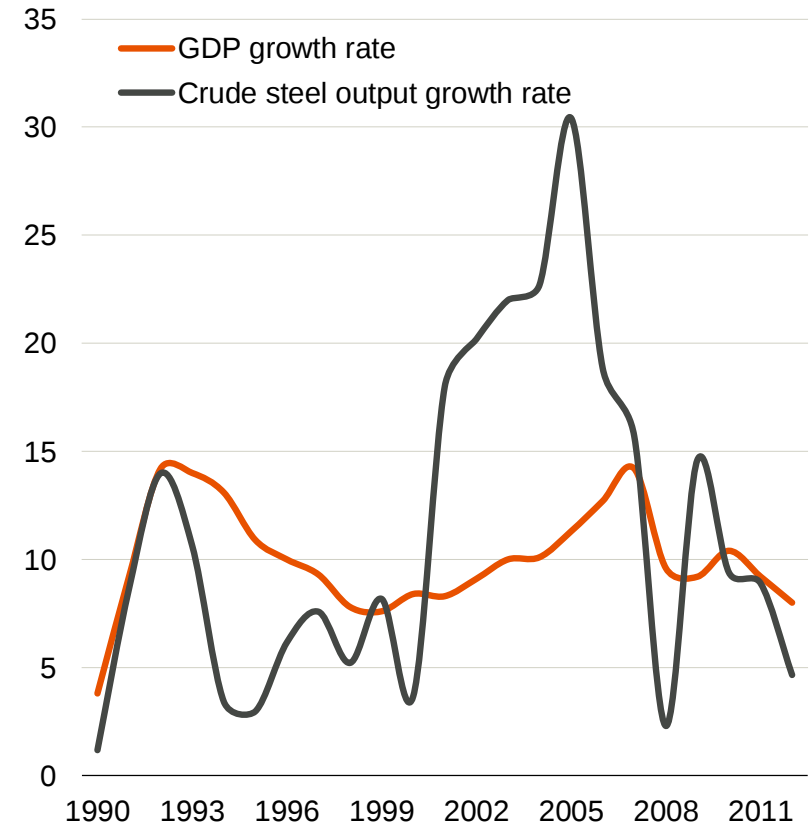
Demand evolves with economic development

Crude steel consumption
(kilograms per capita)



Source: Global Insight; BHB Billiton analysis.

China's GDP and crude steel output growth
(YoY, %)

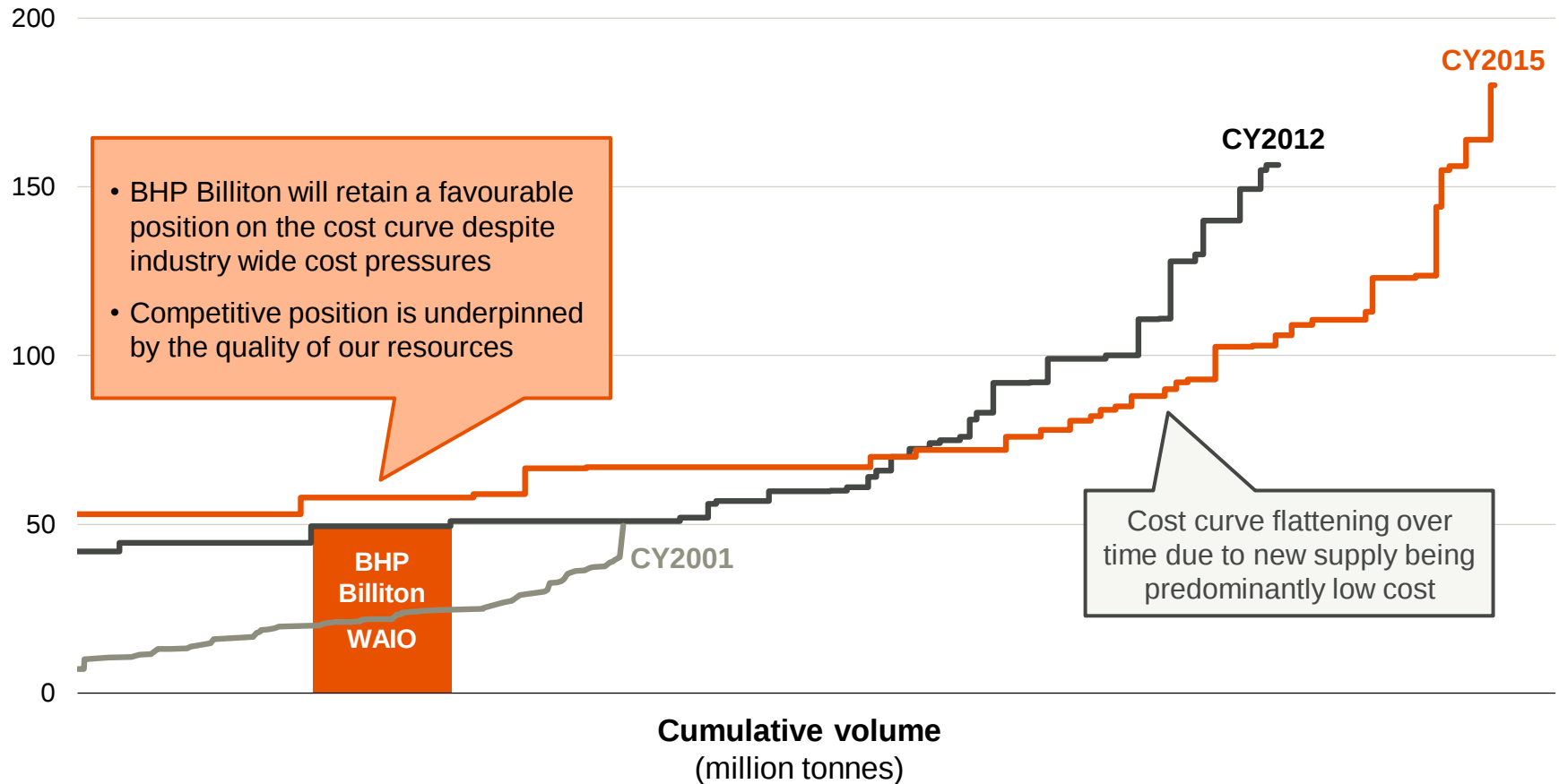


Source: NBS, BHB Billiton.

Expansions to low cost seaborne supply will flatten the cost curve

Cost curve for iron ore fines

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



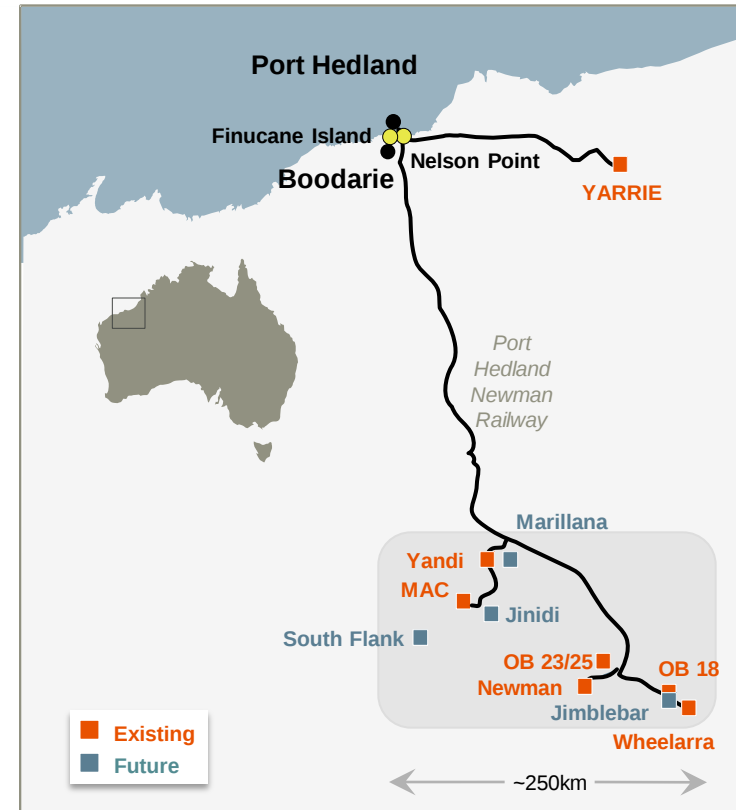
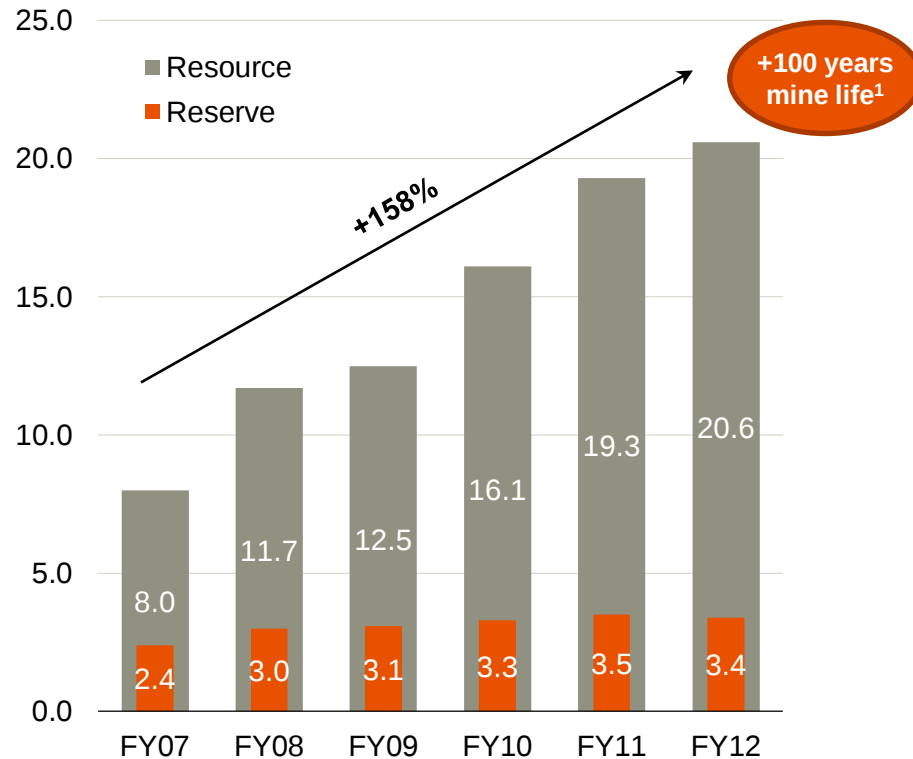
Source: Macquarie Research, September 2012.

Our world class 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)



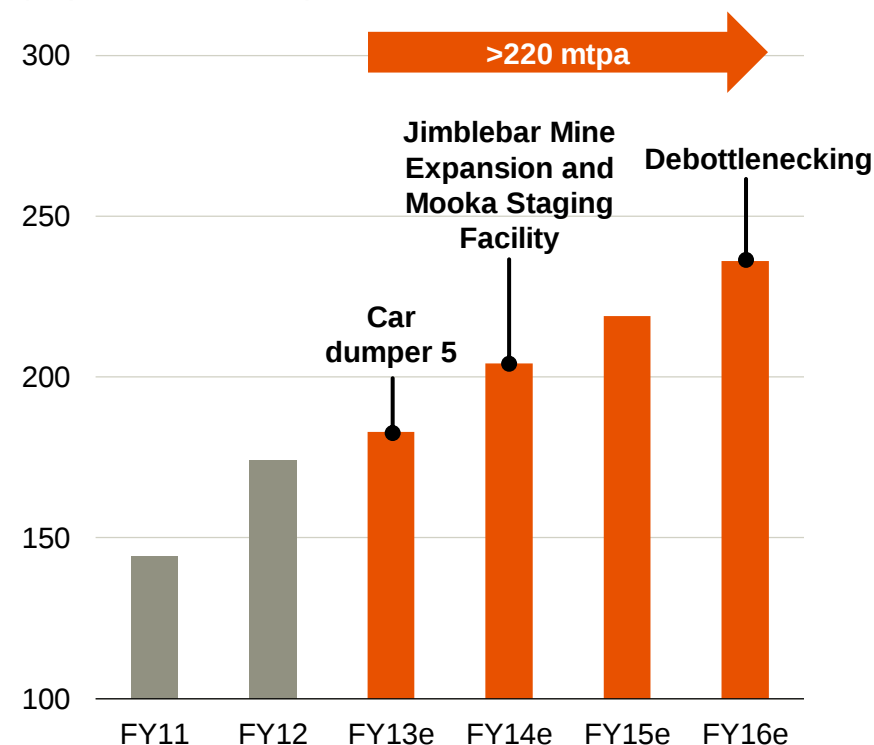
Note: Refer to disclaimer on slide 3.

1. Represents the Mineral Resource (inclusive of Ore Reserves) divided by the FY12 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.

Major projects in execution are progressing well

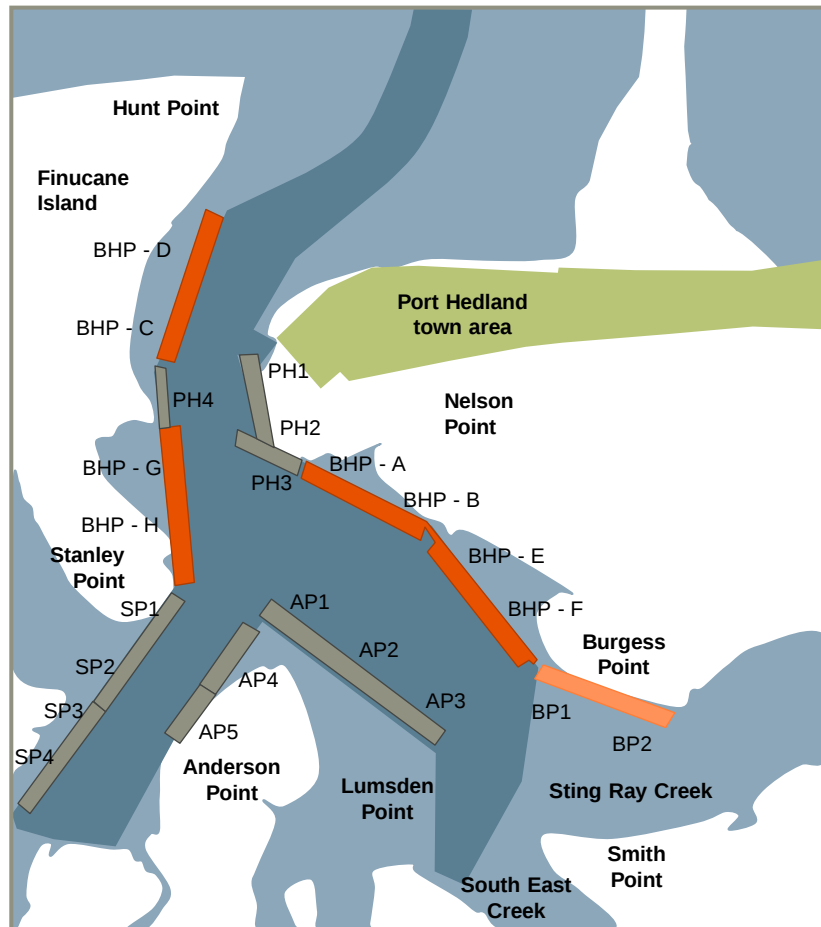
- Major growth projects are on schedule and within budget
 - **Port Hedland Inner Harbour Expansion** commissioning scheduled for H2 CY12
 - **Jimblebar Mine Expansion** delivers 35 mtpa of mining capacity with larger processing capacity, first production scheduled for Q1 CY14
 - **Rail Yard Facilities Expansion** creates flexibility and increases our direct load capability with commissioning expected in H2 CY14
- Inner Harbour optimisation studies progressing well

WAIO production
(mtpa, 100% basis)



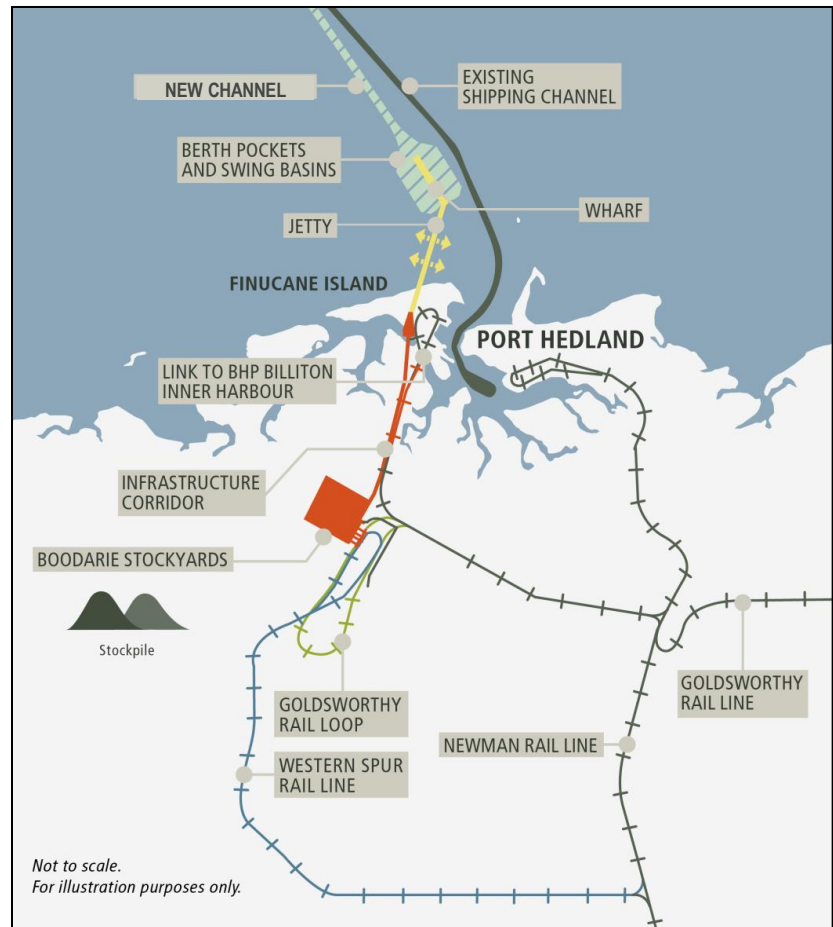
Dual harbour strategy provides growth optionality

Port Hedland Inner Harbour



■ BHP Billiton berths ■ Option secured for 2 additional BHP Billiton berths at Burgess Point

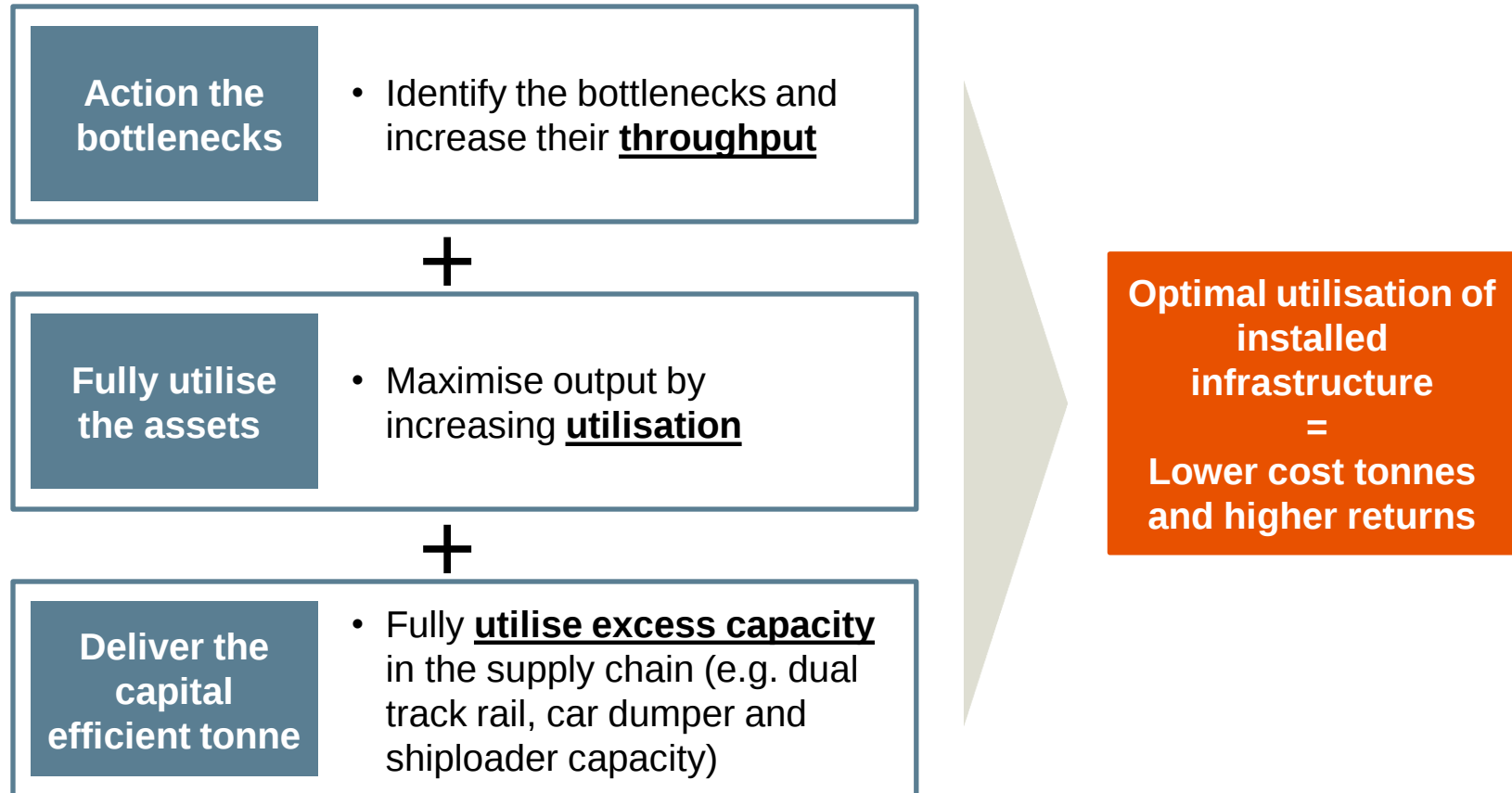
Port Hedland Outer Harbour



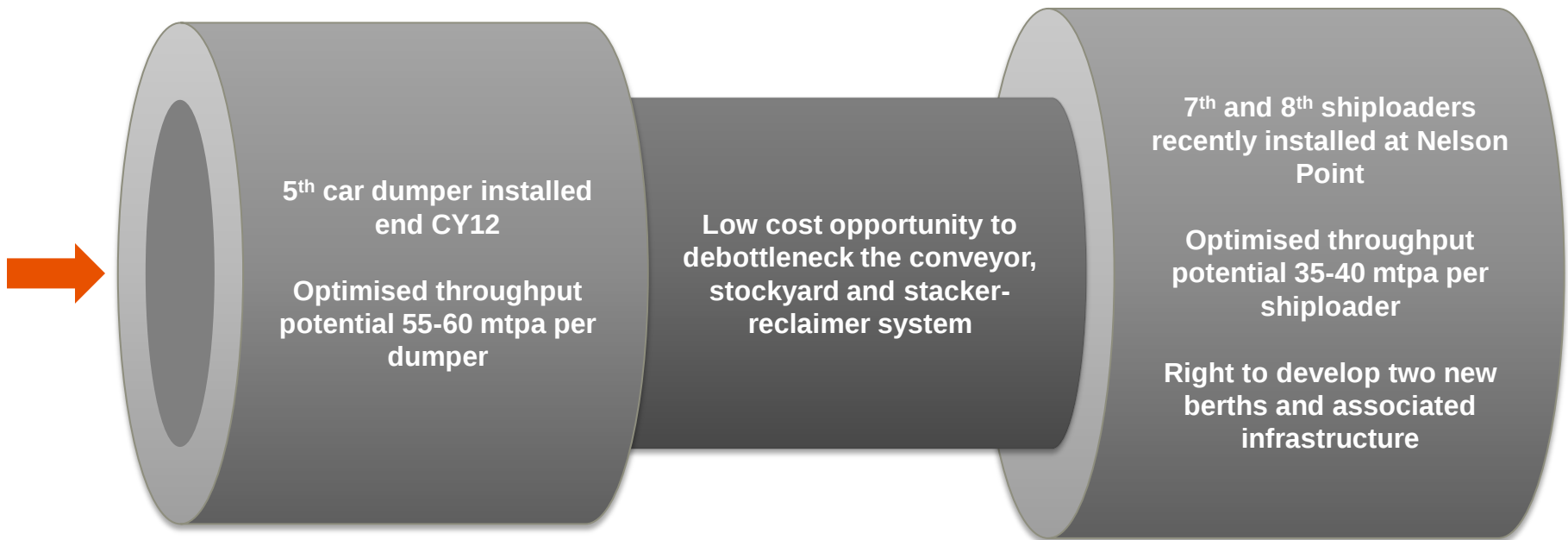
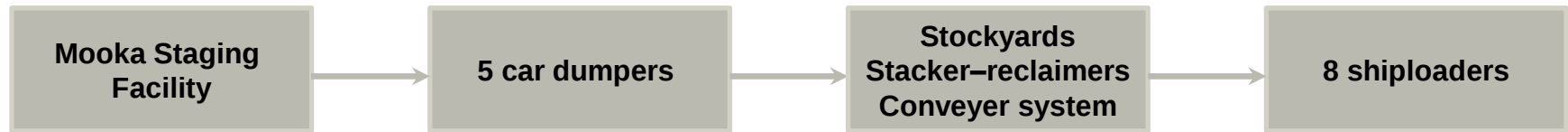
*Not to scale.
For illustration purposes only.*

Debottleneck and optimise the supply chain

Targeting the release of substantial capacity at low capital intensity



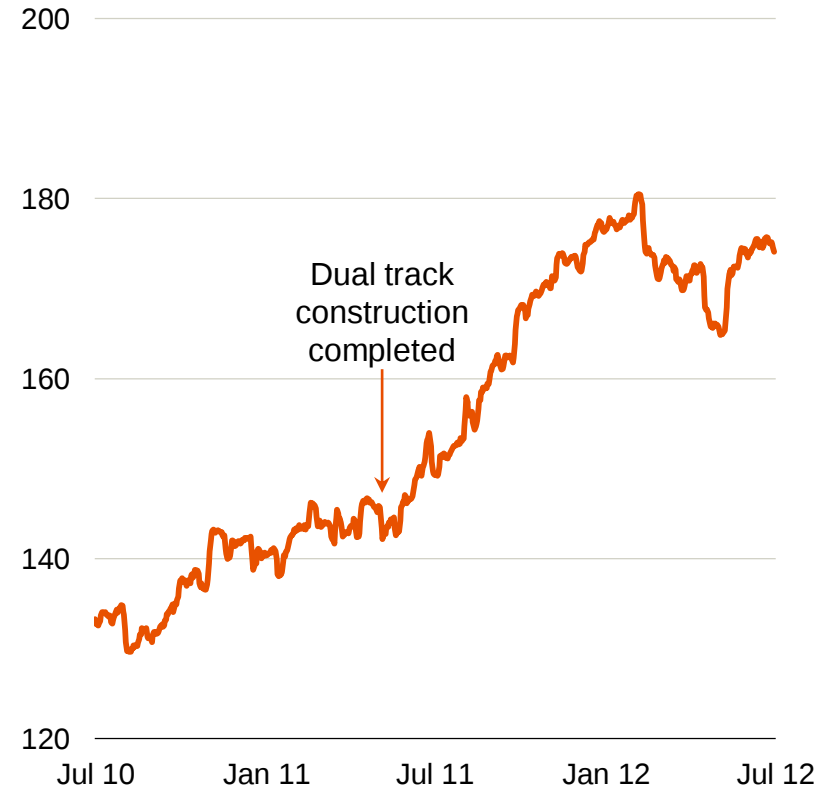
Port: deliver the capital efficient tonne



Rail: substantial upside in our existing dual track

- Achieved 145 mtpa with single track infrastructure
- Single track operation required a large number of passing loops which created inefficiency
- Dual track can deliver more than 300 mtpa of capacity with modest investment

Railed tonnage performance
(mtpa, 90 day moving average)



Mines: readily expandable

Mobile crushers can unlock 20 mtpa of capacity

- Fully utilise rail load out capacity
- We are deploying mobile crushers at Whaleback and MAC
- Evaluating deployment at Jimblebar and Yarrie

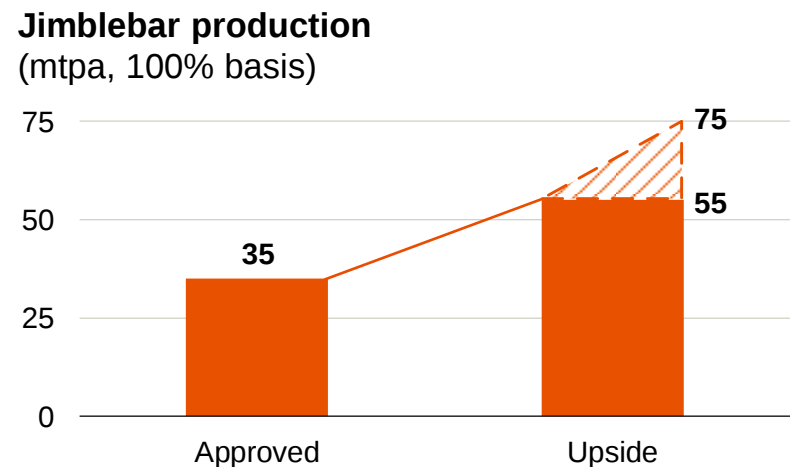
Jimblebar built for expansion beyond 35 mtpa

- Initial investment delivers capacity of
 - 60 mtpa stockpile and train load out
 - 55 mtpa Ore Handling Plant (OHP)
 - 35 mtpa mining fleet
- Substantial low cost expansion option

One new mine required to achieve >300 mtpa



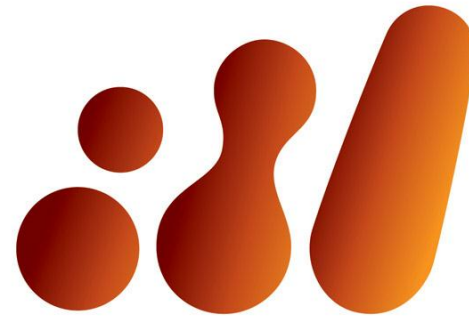
Typical mobile secondary crusher



Key themes

- Long term drivers of demand remain intact
- Expansions to low cost seaborne supply will flatten the cost curve
- Western Australia Iron Ore projects are on schedule and budget
- Multiple debottlenecking opportunities present a low cost path to capacity growth significantly beyond 220 mtpa¹
- Our dual harbour strategy provides maximum growth flexibility
- Our focused strategy will lower unit costs, deliver capital efficient volume growth and create value for our shareholders and the communities in which we operate

1. 100% basis.



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resourcing the future