



BHP Billiton Limited
171 Collins Street
Melbourne Victoria 3000 Australia
GPO BOX 86
Melbourne Victoria 3001 Australia
Tel +61 1300 55 47 57 Fax +61 3 9609 3015
bhpbilliton.com

BHP Billiton Plc
Neathouse Place
London SW1V 1LH UK
Tel +44 20 7802 4000
Fax +44 20 7802 4111
bhpbilliton.com

29 March 2017

To: Australian Securities Exchange
London Stock Exchange

cc: New York Stock Exchange
JSE Limited

GLOBAL IRON ORE AND STEEL FORECAST CONFERENCE

BHP Billiton Asset President, Western Australia Iron Ore, Edgar Basto, will present at the Global Iron Ore and Steel Forecast Conference, in Perth, Western Australia today.

A copy of the presentation is attached.

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

A handwritten signature in black ink, appearing to read "R. Agnew", with a long horizontal stroke extending to the right.

Rachel Agnew
Company Secretary

BHP Billiton Limited ABN 49 004 028 077
Registered in Australia
Registered Office: Level 18, 171 Collins Street Melbourne Victoria 3000

BHP Billiton Plc Registration number 3196209
Registered in England and Wales
Registered Office: Neathouse Place, London SW1V 1LH United Kingdom

The BHP Billiton Group is headquartered in Australia

For personal use only

NEWS RELEASE

Release Time IMMEDIATE
Date 29 March 2017
Release Number 12/17

OUR CULTURE TO DRIVE VALUE AND RETURNS AT WAIO

Speaking at the 20th Annual Global Iron Ore and Steel Forecast Conference, BHP Billiton Western Australia Iron Ore (WAIO) Asset President, Edgar Basto, said that while the growth of low-cost seaborne iron ore supply is expected to outpace incremental demand, the Company is well-positioned to continue to grow value and returns.

“Our drive for increased performance focuses on operational discipline and the involvement of front line personnel, and is delivering ongoing improvements in our business,” Mr Basto said.

WAIO achieved record production of 136 million tonnes (100 per cent basis) in the December 2016 half year. The completion of the rail renewal and maintenance program in the last quarter of the 2017 financial year, which is running six months ahead of schedule, coupled with the ramp-up of additional capacity at the Jumblebar mining hub and ongoing productivity improvements, are expected to deliver an increase in WAIO system capacity to 290 million tonnes per annum (Mtpa) in the 2019 financial year.

BHP Billiton’s new operating model is also supporting improved performance, with additional opportunities identified to improve rail cycle times, truck availability and fuel consumption, as well as to increase equipment reliability and extend equipment life, thereby lowering operating costs further.

Mr Basto also outlined the sustaining investment options currently being considered.

“Our Yandi mine, located in the central Pilbara, is currently operating at 80 Mtpa but will be depleted over the next five to 10 years. We are looking at options to replace this production. South Flank is the preferred long-term solution, subject to Board approval being obtained. The investment case for using this high-grade deposit for replacement tonnes is strong, given BHP Billiton’s ability to utilise existing infrastructure at the Mining Area C operation where possible,” Mr Basto said.

For personal use only

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

Media Relations

Australia and Asia

Paul Hitchins
Tel: +61 3 9609 2592 Mobile +61 419 315 001
Email: Paul.Hitchins@bhpbilliton.com

Fiona Hadley
Tel: +61 3 9609 2211 Mobile +61 427 777 908
Email: Fiona.Hadley@bhpbilliton.com

Amanda Saunders
Tel: +61 3 9609 3985 Mobile +61 417 487 973
Email: Amanda.Saunders@bhpbilliton.com

United Kingdom and South Africa

Neil Burrows
Tel: +44 207 802 7484
Email: Neil.Burrows@bhpbilliton.com

North America

Bronwyn Wilkinson
Mobile: +1 604 340 8753
Email: Bronwyn.Wilkinson@bhpbilliton.com

BHP Billiton Limited ABN 49 004 028 077
LEI WZE1WSENV6JSZFK0JC28
Registered in Australia
Registered Office: Level 18, 171 Collins Street
Melbourne Victoria 3000 Australia
Tel +61 1300 55 4757 Fax +61 3 9609 3015

Members of the BHP Billiton Group which is
headquartered in Australia



Follow us on social media

Investor Relations

Australia and Asia

Tara Dines
Tel: +61 3 9609 2222 Mobile: +61 499 249 005
Email: Tara.Dines@bhpbilliton.com

Andrew Gunn
Tel: +61 3 9609 3575 Mobile: +61 402 087 354
Email: Andrew.Gunn@bhpbilliton.com

United Kingdom and South Africa

Rob Clifford
Tel: +44 20 7802 4131 Mobile: +44 7788 308 844
Email: Rob.Clifford@bhpbilliton.com

Elisa Morniroli
Tel: +44 20 7802 7611 Mobile: +44 7825 926 646
Email: Elisa.Morniroli@bhpbilliton.com

Americas

James Wear
Tel: +1 713 993 3737 Mobile: +1 347 882 3011
Email: James.Wear@bhpbilliton.com

BHP Billiton Plc Registration number 3196209
LEI 549300C116EOWV835768
Registered in England and Wales
Registered Office: Neathouse Place
London SW1V 1LH United Kingdom
Tel +44 20 7802 4000 Fax +44 20 7802 4111



Global Iron Ore & Steel Forecast

Our culture to drive value in the Pilbara

Edgar Basto
Asset President Western Australia Iron Ore
29 March 2017

For personal use only



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', '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 presentation. Readers are cautioned not to put undue reliance on forward-looking statements.

For example, 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.

Past performance cannot be relied on as a guide to future performance.

Non-IFRS and other financial information

BHP Billiton results are reported under International Financial Reporting Standards (IFRS). This release may also include certain non-IFRS and other measures including Underlying EBIT, Underlying EBITDA (all references to EBITDA refer to Underlying EBITDA), Adjusted effective tax rate, Free cash flow, Gearing ratio, Controllable cash costs, Net debt, Net operating assets, Underlying return on capital, Underlying attributable profit, Underlying basic earnings/(loss) per share and Underlying EBITDA margin. These measures are used internally by management to assess the performance of our business and segments, make decisions on the allocation of our resources and assess operational management. Non-IFRS and other 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 presentation should be construed as either an offer or a solicitation of an offer to buy or sell BHP Billiton securities in any jurisdiction, or be treated or relied upon as a recommendation or advice by BHP Billiton.

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 Billiton.

Key themes

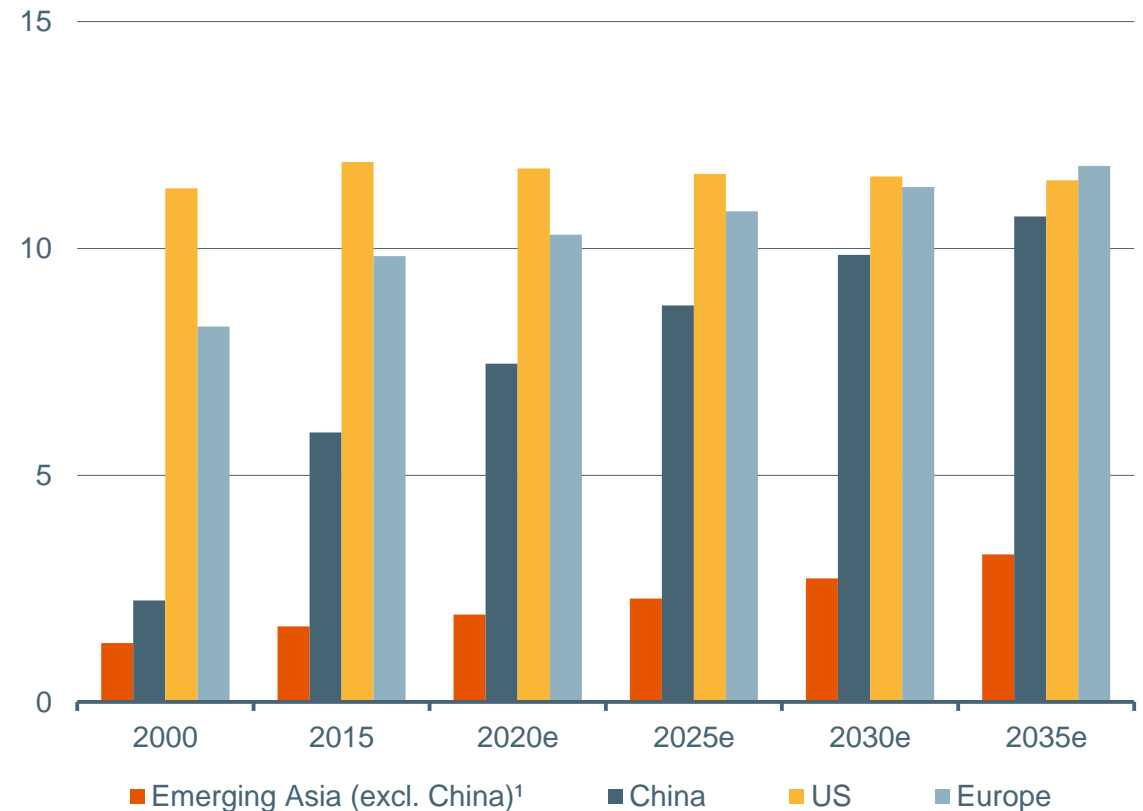
- The health and safety of our people and the communities in which we operate always come first
- China and Emerging Asia expected to support steel demand growth
- Our tier 1 assets and focus on productivity support strong and sustainable returns
- South Flank is our preferred option to sustain volumes
- The new organisational structure facilitates continuous improvement at all levels
- Inclusion and diversity are core to our success
- Partnering with our local communities to create shared value

China and Emerging Asia expected to support steel demand growth

Gap to close in emerging market steel stock

- China's accumulated steel stock per capita still lags developed economies
- Chinese steel demand is expected to grow despite a moderation in the growth rate
- India and South East Asian economies have strong growth potential
- Geopolitical uncertainty and protectionism inhibit international trade and investment

Accumulated stock of steel per capita (t)



Source: World Steel Association; BHP Billiton analysis.

1. Emerging Asia includes India and countries in South Asia and North Asia, excluding China, Japan and South Korea.

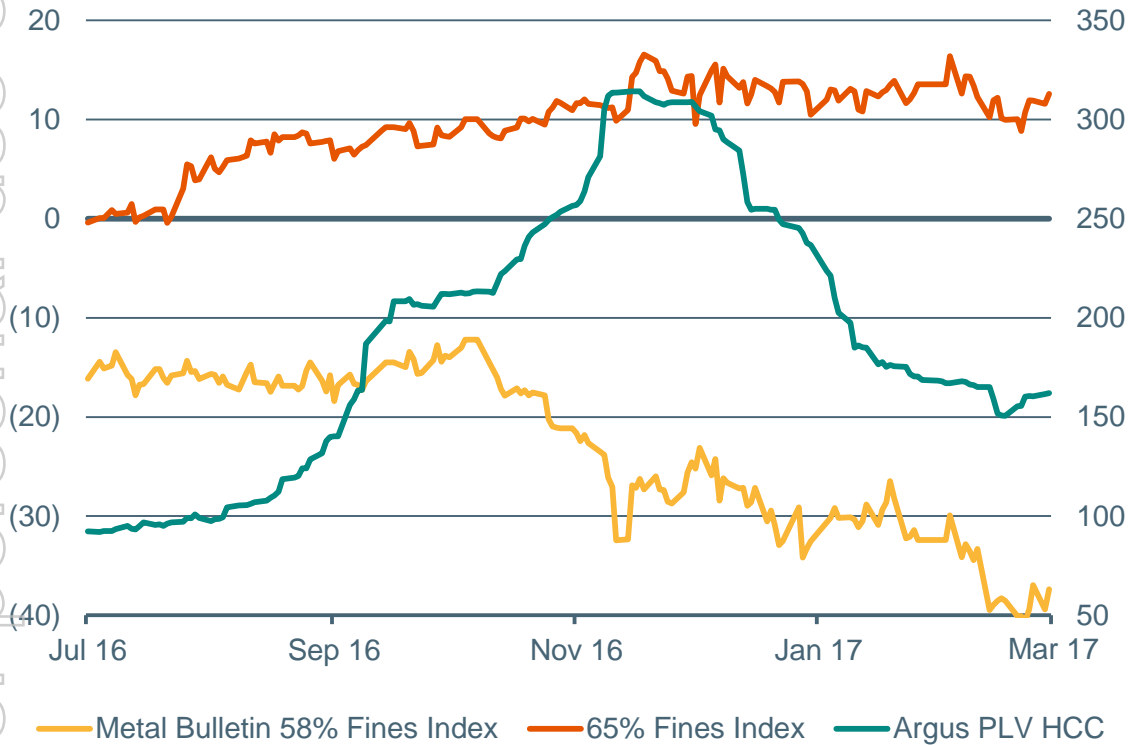
Edgar Basto, Asset President Western Australia Iron Ore

29 March 2017

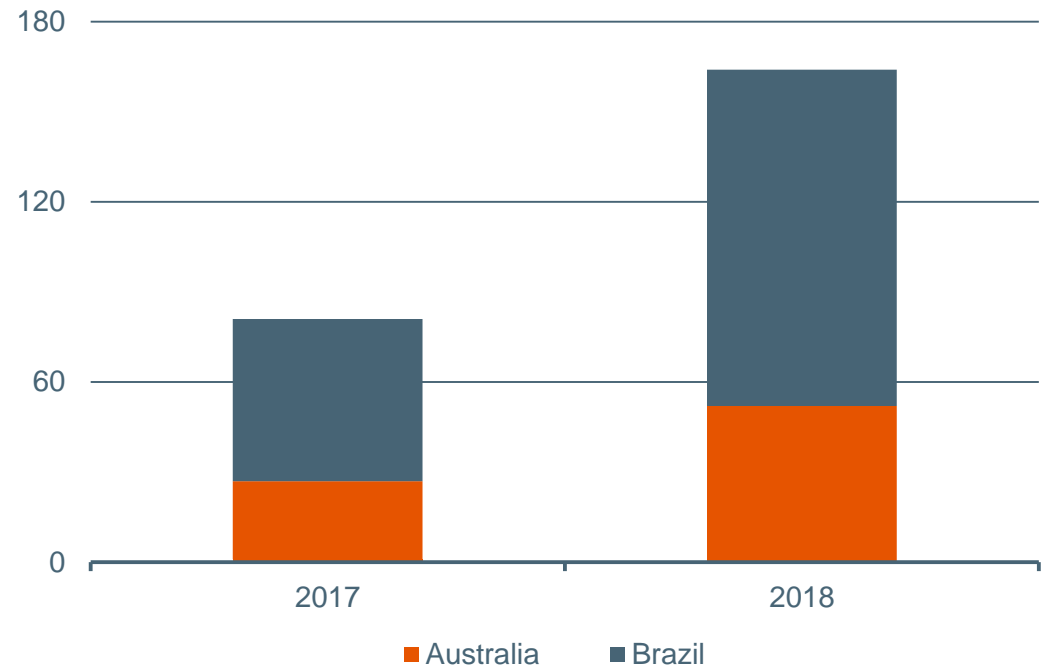
Seaborne suppliers continue to add low cost, high quality tonnes

Differential to Platts 62
(US\$/dmtu CFR)

Coking Coal Price
(US\$/t, FOB)



Major producers continue to add low cost, high quality tonnes to market, Brazilian competition growing strongly¹
(wmt)



Source: Wood Mackenzie and publicly reported information.
1. Results presented on a cumulative basis.

For personal use only

Strong performance through the cycle

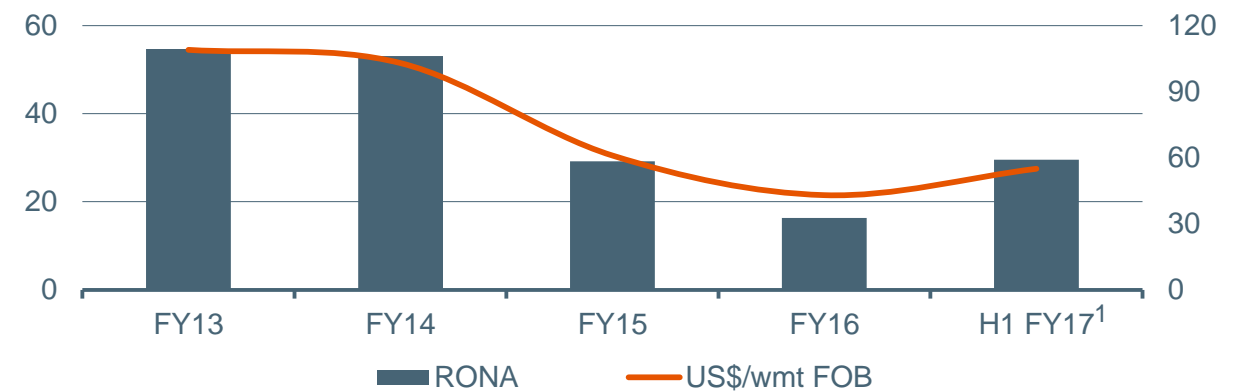
For personal use only

- Record H1 FY17 production of 136 Mt
- Reduced our unit cost² to US\$15.05/wmt FOB
- We have further opportunities to lower unit cost

Strong recovery in returns

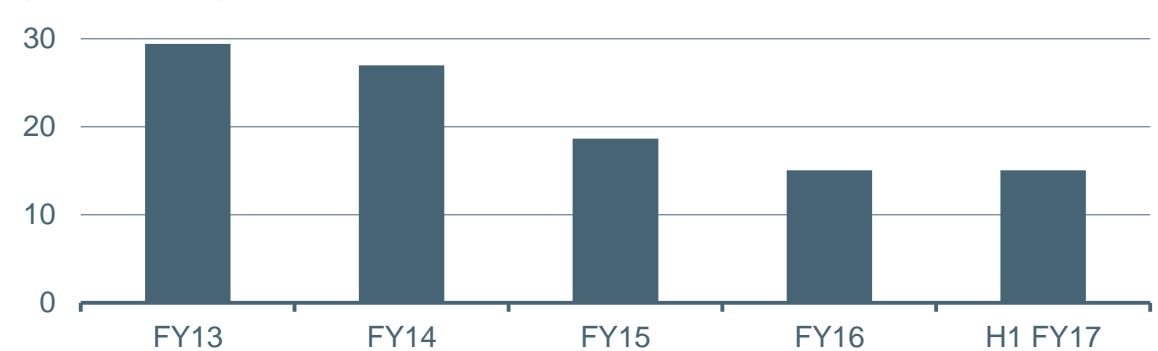
(Return on Net Operating Assets, %)

(Average realised FOB Price, US\$/wmt)



Disciplined and sustainable cost² reduction

(US\$/wmt FOB)



1. Based on WAIO H1 FY17 Underlying EBIT annualised, including third party products.

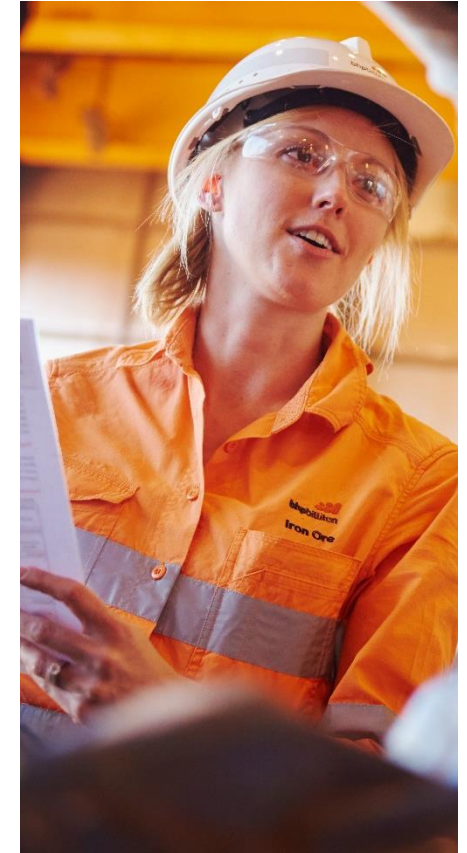
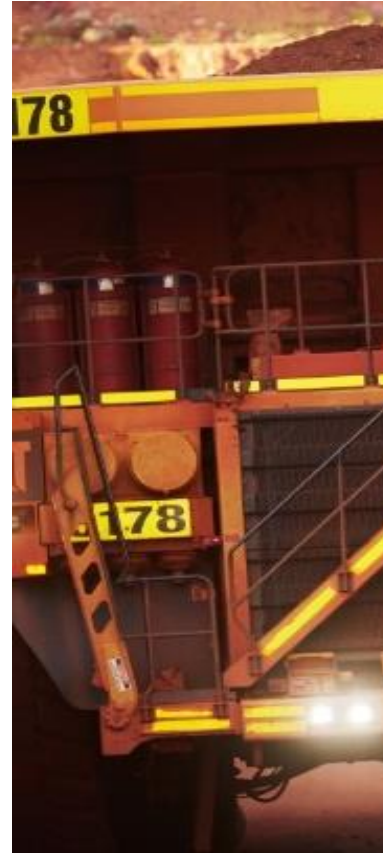
2. FOB unit cash cost excluding freight and royalties.

Edgar Basto, Asset President Western Australia Iron Ore

29 March 2017

Three years of continuous improvement has delivered strong results

- **11%** improvement in TRIF
- **>5,000** improvement initiatives
- **26%** increase in production
- **48%** reduction in cost¹



Note: H1 FY14 to H1 FY17 comparison.

1. FOB unit cash cost excluding freight and royalties.

Edgar Basto, Asset President Western Australia Iron Ore

29 March 2017

Further strengthening our position

For personal use only

Improving operations to support further productivity

- Renewal of rail infrastructure will decrease cycle times, six months ahead of schedule
- Real time schedule optimisation across the supply chain
- Debottlenecking and minor capital supports 290 Mtpa by the end of FY19

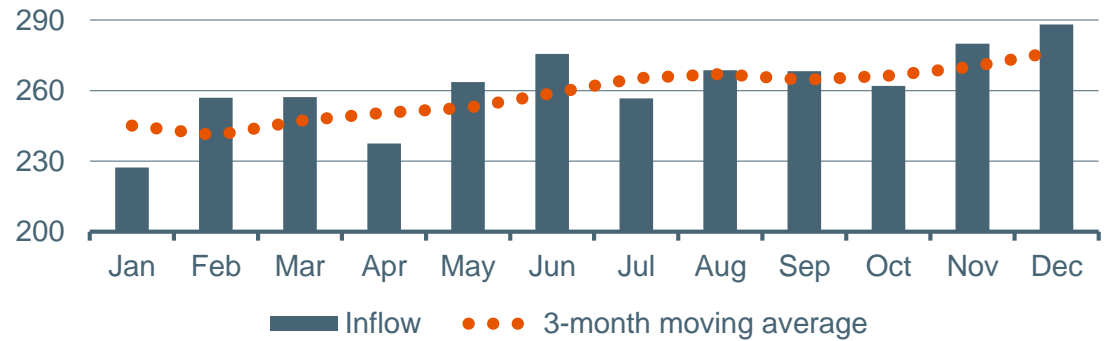
South Flank sustaining volumes

- Unlocking resources within reach of the existing Mining Area C hub, using installed capacity as much as possible
- High quality and low strip ratio
- Low capital intensity

Note: South Flank remains subject to Board approval

Edgar Basto, Asset President Western Australia Iron Ore
29 March 2017

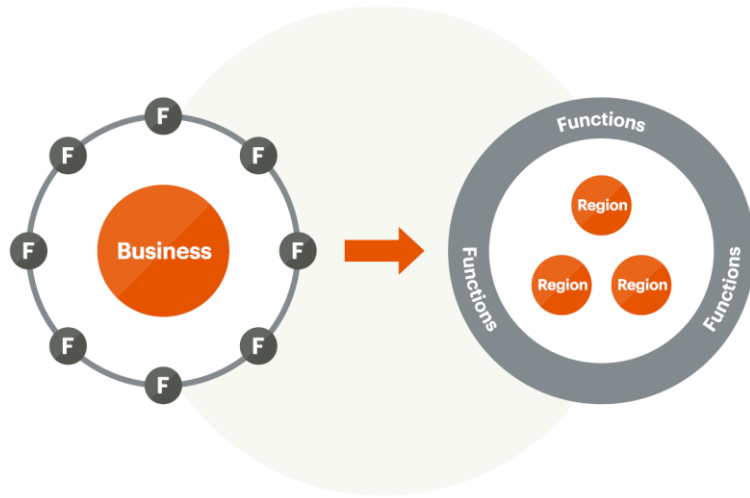
Port Hedland inflow
(Annualised Mtpa by month)



South Flank Deposit Mining Area C Deposit



New structure unlocks global sharing and learning



Caterpillar 793F improvement outcomes

- 20% engine life improvement
- 50% front suspension life improvement
- 20% final drive life improvement
- Servicing to **improve reliability**

Example: Maintenance Centre of Excellence

- World leading performance
- Value through total equipment strategies

Inclusion and diversity are central to our success

Why?



Safety

- **19% to 68% less injuries**
- More likely to follow safe work practices and raise unsafe conditions



Culture

- **Confident to speak up**
- Rate BHP Billiton, their job and leader more favourably



Productivity

- Production forecast accuracy is 7% to 15% higher
- **10% higher adherence to planned maintenance work**

Western Australia Iron Ore contributing to the broader community and economy

For personal use only



Payments to government¹
TOTAL
\$2.5 billion

80%

Goods and services sourced locally²

\$1.2 billion

in wages paid to our workforce of around

16,000



600 WA businesses

Supplying to our operations



\$255 million

in contributions to our host communities



100,000

retail shareholders in Western Australia sharing in the success of our business



Note: FY16 results, all AUD unless otherwise stated.

1. Include taxes and royalties.

2. WAIO operational expenditure with vendors based in Western Australia

Edgar Basto, Asset President Western Australia Iron Ore

29 March 2017

Key themes

- The health and safety of our people and the communities in which we operate always come first
- China and Emerging Asia expected to support steel demand growth
- Our tier 1 assets and focus on productivity support strong and sustainable returns
- South Flank is our preferred option to sustain volumes
- The new organisational structure facilitates continuous improvement at all levels
- Inclusion and diversity are core to our success
- Partnering with our local communities to create shared value

For personal use only



bhpbilliton