

# NEWS RELEASE

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## INCIDENT AT SAMARCO

A copy of the briefing statement by BHP Billiton CEO, Andrew Mackenzie to investors and analysts on the incident at the Samarco Mineração S.A (Samarco) iron ore operation in Minas Gerais, Brazil is attached.

The audio recording of the briefing and the transcript will be available on the BHP Billiton website.

Further updates will be provided when information becomes available.

Further information on BHP Billiton can be found at: [www.bhpbilliton.com](http://www.bhpbilliton.com).

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**Andrew Mackenzie, CEO BHP Billiton**  
**Investor and analyst briefing statement**  
**17 November 2015**

Thank you for joining this call.

Everyone at BHP Billiton has been deeply affected by the terrible incident at the Samarco iron ore operation in Minas Gerais in Brazil just over a week ago. And we remain filled with sadness and concern for the community there.

I travelled to the region last week with Jimmy Wilson, our President of Iron Ore, and the devastation we witnessed on site and around the community was heart-breaking.

It was important to go there to learn more about the local situation and better understand how BHP Billiton can best help, both now and over the longer term.

We spent time with the Samarco workforce and management team and spoke with local mayors, state governors and the President. And we told them that they could be confident we will offer Samarco our full support in the response efforts.

Right now the immediate focus is on safety, rescue and humanitarian support and progress is being made in these areas.

Last week I heard stories of huge courage, heroism and commitment in the response effort. The courage and resilience of the workforce of Samarco, the communities and the responders in the face of this awful event truly inspires me.

Our priority remains the welfare of the workforce and the local community and I am encouraged by the support I saw Samarco providing. Samarco continues to provide food, water and emergency supplies to local communities. They also continue to work with the authorities' efforts to supply clean water to the communities further downstream along the Doce River.

More than 600 people who lost their homes in this tragic accident have been placed in hotel or B&B accommodation. Samarco is now consulting each family to understand whether they would prefer to stay in hotels or move to rented housing. More than 300 potential rental properties were evaluated and these will be validated by the community before they move. The first families were transferred to rented accommodation over the weekend.

I'm also pleased to say that children from Bento Rodrigues and Paracatu returned to school today with classes taking place in Mariana. Samarco have ensured they have the same teacher and classmates as before the accident to help with the adjustment.

At BHP Billiton, we recognise that we have a responsibility to support Samarco and local authorities in the response effort and I assure you I am absolutely determined that we will fully play our part in that response.

BHP Billiton has a growing team on the ground – including geotechnical, disaster relief and humanitarian response experts, senior health and safety executives, environmental scientists and a number of other support staff. They will be working with Samarco, the communities, local authorities and the team from Vale to determine what additional resources we can provide to support local authorities and Samarco's response effort over the longer term.

We can confirm that Samarco has today signed a Preliminary Commitment with Brazilian prosecutors in connection with the State of Minas Gerais. Under the Commitment, Samarco will guarantee the allocation of funds totalling 260 million US dollars (or 1 billion reals) to an emergency fund

The Commitment will guarantee funding for a range of emergency measures including prevention, mitigation, remediation and compensation for environmental and social effects of the incident.

Samarco will manage the Emergency Fund in conjunction with the Public Ministry who will also select an independent auditor to audit the fund's expenses.

Separately we can also confirm that Samarco has signed a Commitment with authorities in Espirito Santo that covers measures to prevent and mitigate socio-environmental impacts in the state. The measures include ensuring a supply of water in the affected areas, analysis of water quality in the Rio Doce basin and the recovery of fauna in the area.

BHP Billiton fully supports Samarco in taking these necessary steps to enable remediation in the affected areas.

An Environmental Recovery Plan is also being developed by Samarco with the support of an external expert.

Samarco is continuing to monitor the impacted tailings facilities, including the Germano dam, and in conjunction with independent experts is developing a plan to reinforce the dam structures and stabilise the area.

Samarco's Germano mining operations were immediately stopped following the incident and Samarco's operating licence has been suspended. The operations will remain suspended as authorities commence investigations and rectification work plans are developed.

Samarco employees have been put on paid leave and options are being considered by Samarco for managing the workforce longer term.

Samarco, as the operator, will continue to update you on the situation, and support efforts. And we will also provide further updates as more information becomes available. However, in this context, I am sure you will understand that we do not yet have all the answers to your questions.

I want to reemphasise that we are deeply sorry to everyone who has and will suffer from this terrible tragedy. But please let me be very clear: we are 100 per cent committed to doing everything we can do to support Samarco as it works to rebuild the local communities and restore the environment.