NEWS RELEASE

BHP

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BHP delivering value and returns

BHP Chief Executive Officer, Andrew Mackenzie, today said the continued successful delivery of the Company's roadmap to grow long-term shareholder value, together with stronger commodity prices, has underpinned a significant increase in return on capital employed and delivered a 30 per cent increase in BHP's base value[2] over the past two years.

Speaking at the Bank of America Merrill Lynch Global Metals, Mining & Steel Conference in Florida, Mr Mackenzie said: "We have maximised operating cash flow as we have lowered costs through productivity; we have been disciplined and transparent in capital allocation; and we have identified new options to increase value and returns."

Mr Mackenzie said over the past two years, through six key value drivers, BHP has:

- Reduced unit costs by more than 15 per cent;
- Accelerated our technology and innovation program;
- Progressed five high-return, latent capacity projects;
- Sanctioned two major projects in copper and oil;
- Made discoveries at four petroleum exploration prospects; and
- Improved the performance of our Onshore US acreage in preparation for exit into a supportive price environment.

"Alongside this, we have reduced net debt by over US$10 billion, returned US$8 billion to shareholders and, crucially, replenished our pipeline with new opportunities.

"This pipeline has the potential to add a further 40 per cent to the value of BHP, subject to our strict capital allocation processes."

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[1] This release was made outside the hours of operation of the ASX market announcements office.
[2] Base value reflects planning forecasts (at consensus prices) before the addition of a broad suite of upside opportunities.

Looking ahead, Mr Mackenzie said BHP:

- Continues to target a further US$2 billion in productivity gains by the end of the 2019 financial year, on top of the more than US$12 billion achieved since 2012;
- Would leverage its scale and simplicity to capitalise on the benefits of new technology to reinforce our position in safety and productivity and deliver a step-change in company performance;
- Has renewed its suite of latent capacity opportunities which have the potential to generate average returns in excess of 100 per cent;
- Continues to enhance its pipeline of future options, diversified across commodities and timeframes, which have an unrisked value of more than US$15 billion and the potential to deliver average returns of 17 per cent;
- Would continue to push its ongoing exploration program, focused on copper and petroleum, in line with favourable outlooks for these commodities; and
- Is making good progress with the exit from its Onshore US business, with the quality of acreage, higher oil prices, a lower US corporate tax rate and positive results from recent well trials all contributing to encouraging interest from potential bidders.

“BHP is set-up for future success. We have a simple, unique portfolio of the very best assets, diversified across attractive commodities.

“Our relentless pursuit of productivity, aided by a more agile and connected culture, will make sure we realise the full potential of our assets and capitalise on strong prices. On top of this, we have built an attractive suite of opportunities to drive further improvement. But, as always, we will remain disciplined in the allocation of capital with all investments weighed against cash returns to shareholders.

“Our path is deliberate, and we remain firm in our resolve to increase value and returns.”

An audio-webcast of the presentation will be made available at:
http://www.veracast.com/webcasts/baml/metalsmining2018/id57103254932.cfm

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Disciplined delivery of value and returns

Andrew Mackenzie
Chief Executive Officer
15 May 2018

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Forward-looking statements

This presentation contains forward-looking statements, including statements which may include: 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; productivity gains; cost reductions; 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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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'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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BHP results are reported under International Financial Reporting Standards (IFRS). This presentation may also include certain non-IFRS (also referred to as alternate performance measures) and other measures including Underlying attributable profit, Underlying EBITDA (all references to EBITDA refer to Underlying EBITDA), Underlying EBIT, Adjusted effective tax rate, Controllable cash costs, Free cash flow, Gearing ratio, Net debt, Net operating assets, Operating assets free cash flow, Principal factors that affect Underlying EBITDA, Underlying basic earnings/(loss) per share, Underlying EBITDA margin and Underlying return on capital employed (ROCE) (all references to return on capital employed refer to Underlying return on capital employed), Underlying return on invested capital (ROIC). 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.

Presentation of data

Base value reflects the current planning forecasts before the addition of a broad suite of upside opportunities. Some of these remain subject to receipt of internal and third party approvals. Unless specified otherwise: value represents BHP share of risked discounted cash flows at consensus prices; copper equivalent production based on 2017 financial year average realised prices (as published in BHP's Results for the year ended 30 June 2017 on 22 August 2017); data from subsidiaries are shown on a 100 per cent basis and data from equity accounted investments and other operations are presented reflecting BHP's share; medium term refers to our five year plan. Queensland Coal comprises the BHP Billiton Mitsubishi Alliance (BMA) asset, jointly operated with Mitsubishi, and the BHP Billiton Mitsui Coal (BMC) asset, operated by BHP. Numbers presented may not add up precisely to the totals provided due to rounding. References to disciplined supply refer to lower levels of investment across the industry. All footnote content contained on slide 18.

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In this presentation, the terms 'BHP', 'Group', 'BHP Group', 'we', 'us', 'our' and 'ourselves' are used to refer to BHP Billiton Limited, BHP Billiton Plc and, except where the context otherwise requires, their respective subsidiaries as defined in note 28 'Subsidiaries' in section 5.1 of BHP's Annual Report on Form 20-F and in note 13 'Related undertaking of the Group' in section 5.2 of BHP's Annual Report on Form 20-F.

Key messages

Maximise cash flow	Capital discipline	Value and returns
Constructive outlook strong demand; disciplined supply[1]	**Net debt in target range** of US$10-15 bn	**~20% ROCE** targeted by FY22e[2,3]
US$2 bn productivity gains targeted by end FY19	**<US$8 bn p.a. to FY20** capital and exploration guidance	**Up to 40% upside** potential in base value[4]

Value and returns are at the centre of everything we do

Simple portfolio

- Diversified commodities
- Tier 1 upstream assets
- Attractive geographies
- Valuable options

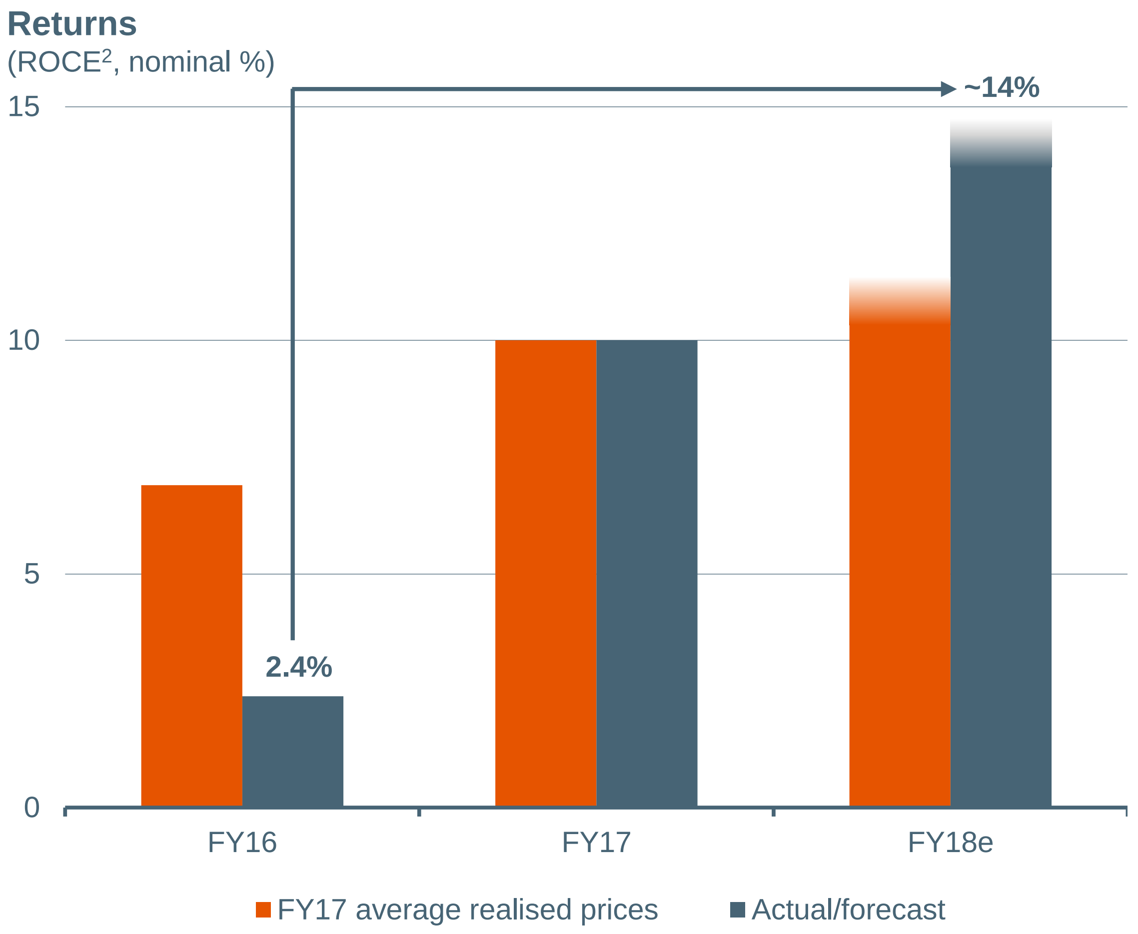
Shareholder value and returns

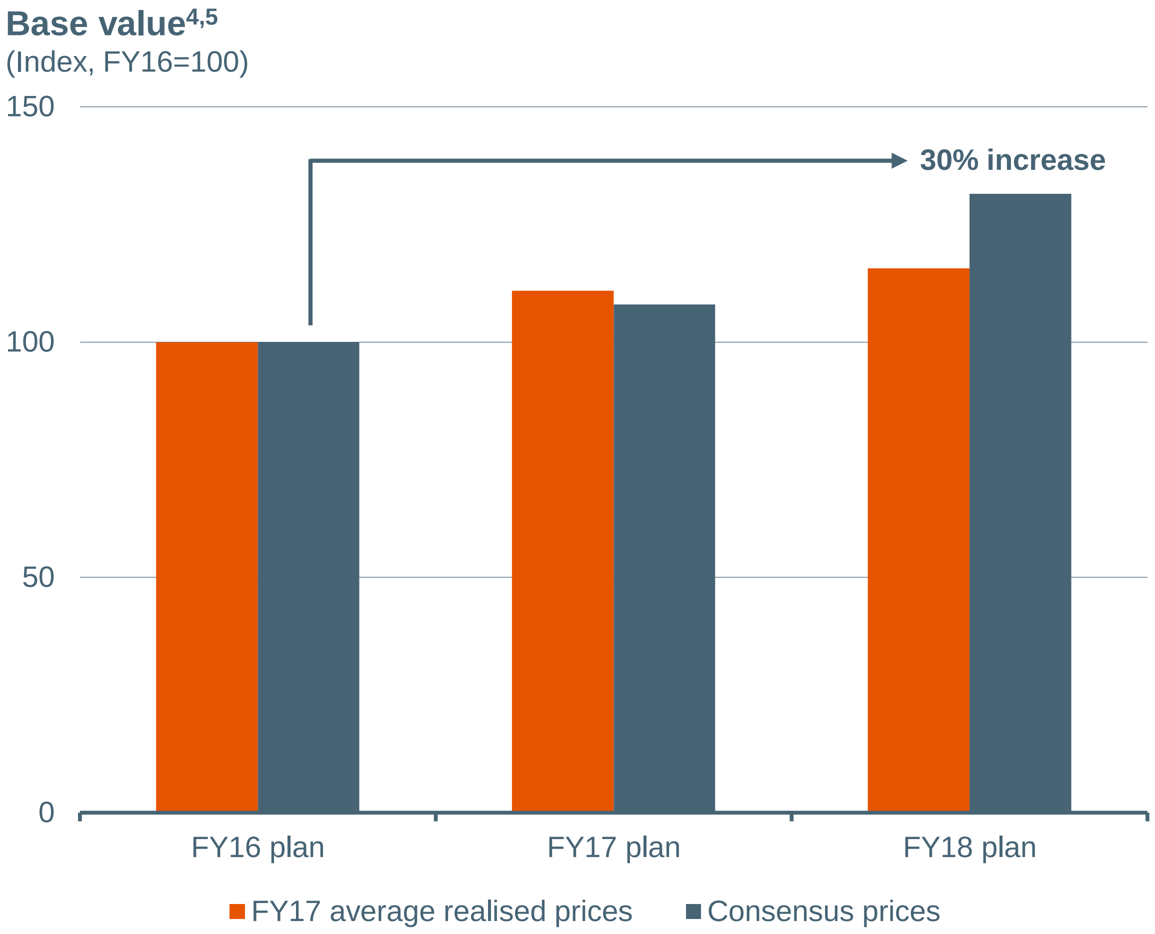
Licence to operate

Distinctive enablers

- Charter Values and culture of connectivity
- Safety, productivity and operational excellence
- Technology and globalised systems
- Capital Allocation Framework and balance sheet strength

Our plans are delivering





Note: Base value reflects the current planning forecasts before the addition of a broad suite of upside opportunities.

We have built base value over the last two years

Cost efficiencies	Technology	Latent capacity
>15% Unit cost reduction[6]	**3** New IROCs implemented or in progress at our operated Minerals assets	**5** Projects sanctioned at average returns[7] of ~60%

Future options	Exploration	Onshore US
2 Projects sanctioned; Mad Dog 2, Spence Growth Option	**4** Conventional petroleum discoveries; Caicos, Wildling, LeClerc, Ruby; successful Trion bid	**Exit** For value and to increase returns; supportive environment, encouraging bidder interest

Future opportunities offer further upside

Existing suite of options offers potential for a further 40%[8] risked upside to base value

Cost efficiencies

US$2 bn

Productivity gains targeted by end FY19

Technology

Fully integrated

And highly automated from resource to market by 2025

Latent capacity

>100%

Average returns from our replenished suite of options

Future options

~17%

Average returns from our longer term opportunities[9]

Exploration

US$15 bn

Unrisked value of Petroleum exploration and appraisal program[10]

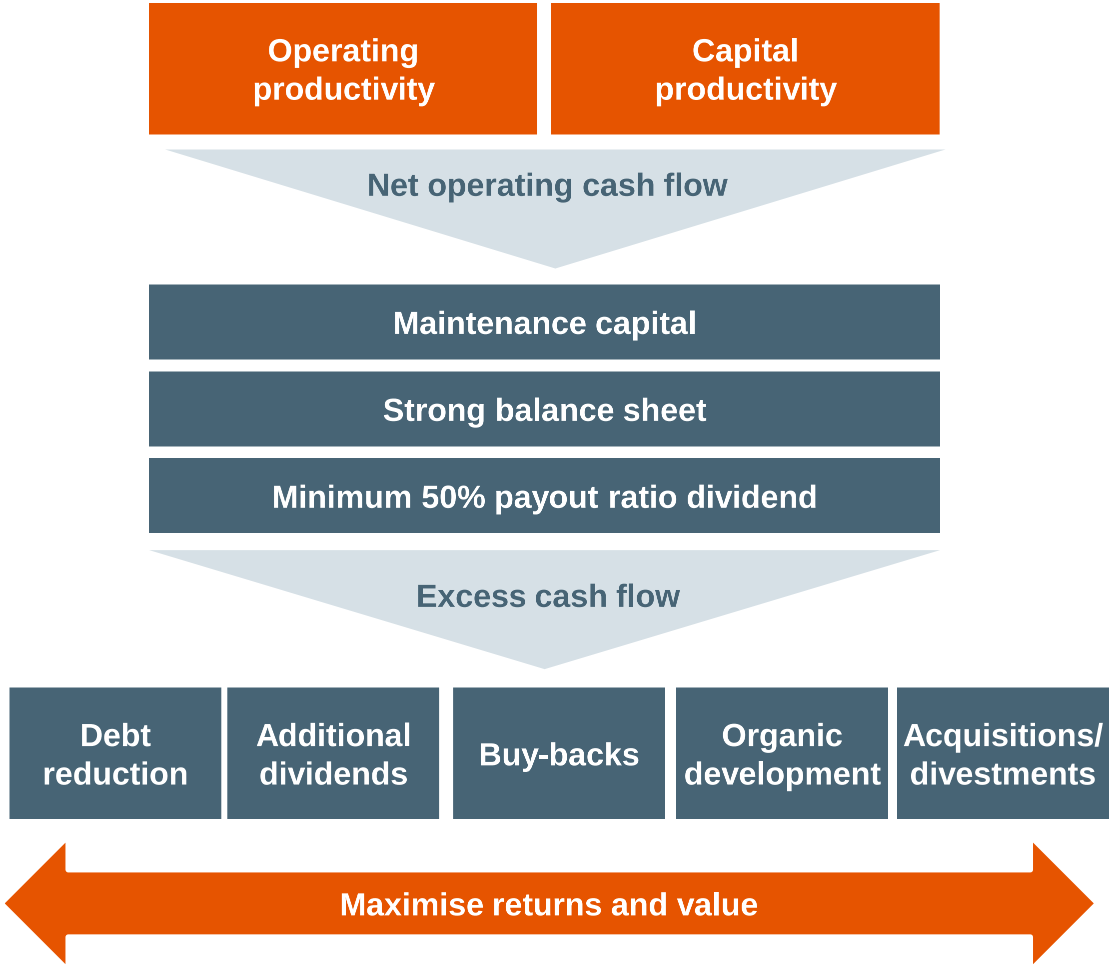
Onshore US

End CY18

Target for announced transactions

Capital discipline, debt reduction and shareholder returns

Our capital allocation framework provides rigour and discipline to all capital decisions



Cost efficiencies – focused on further gains

Productivity gains of US$2 billion targeted by end FY19

WAIO

Optimised mine planning

Equipment/plant utilisation

Execution of technology initiatives

Medium term[11]

<US$13/t

Conventional

Organisational redesign post shale

Advanced seismic imaging

Maintenance standardisation

Medium term[11]

<US$13/boe

Queensland Coal

Pre-strip productivity

Equipment utilisation via IROC

Optimised mine planning

Medium term[11]

~US$57/t

Escondida

Three-concentrator productivity

Increased fleet run time

Maintenance strategy optimisation

Medium term[11]

<US$1.15/lb

Technology – improves safety, costs and unlocks resource

Integrate and automate the value chain to unlock resource and drive a step change in safety, volume and cost

Benchmark projects
To drive leadership in safety and productivity

Safety and productivity
Collision avoidance
Equipment automation
System integration across value chain
Robotics process automation
Machine learning analytics
Chemical extraction
Heap leaching

Future value
High value innovation to drive competitive advantage

Accelerate high-value initiatives
Mine autonomy
Decision automation
Precision mining

Proving grounds to trial and de-risk solutions in real conditions
Coal: dynamic supply chain optimisation tools
Escondida: sensor technologies to extraction process
Olympic Dam: heap leach program progressing
WAIO: acceleration of mine automation underway

Fully integrated and highly automated from resource to market by 2025

Latent capacity – attractive returns, limited risk

Continuous replenishment of our suite of capital efficient, low risk, high return options supports the next wave of latent capacity

Options	IRR[9] (%)	Risk[12] (1-5)	Timing[13]	Capex (US$m)	Description
WAIO Debottlenecking	>100	●	<2 years	<250	Supply chain debottlenecking initiatives at the port and rail, and releasing latent capacity at Jimblebar to increase production to 290 Mtpa
Escondida EWS Expansion	>50	●●	<2 years	~500	Expansion of desalination plant to reduce groundwater usage and maximise concentrator throughput
Escondida Debottlenecking	>100	●●	various	>500	Concentrator debottlenecking, sulphide leach reprocessing of ripios, truck and shovel fleet upgrades
Spence Ripios processing	~60	●●	2-5 years	250-500	Reprocessing of ripios dumped since the beginning of the Spence operations
Queensland Coal Latent capacity	>100	●	>5 years	>500	Investing in stripping capacity and pipeline of productivity initiatives to shift the bottleneck towards the coal handling plants
Olympic Dam Material handling system	~20	●	>5 years	~500	Enabling project for BFX, extending materials handling system (MHS) into Southern Mine Area
Spence Debottlenecking	>15	●●●	>5 years	>500	Processing lower grade hypogene material with increased recoveries, concentrator debottlenecking, in-pit semi mobile ore conveying
Average/aggregate	**>100**			**~US$4 bn**	**Up to ~2 Mt of incremental Cu eq. capacity with ~US$16 bn unrisked NPV**

Note: Risk profile is based on a BHP assessment of each project against defined quantified and non-quantified risk metrics rated out of 5; 5 represents more risk.

Future options – worked for value, timed for returns

Investment decisions made in accordance with our capital allocation framework and fully consider the broader market impact

Options	IRR[9] (%)	Risk[12] (1-5)	Description
Atlantis Phase 3 Petroleum	~25	Non-operated	Tie back to existing Atlantis facility unlocked through Advanced Seismic Imaging
Olympic Dam BFX Copper	~20	●●	Accelerated development into the Southern Mine Area, debottlenecking of existing surface infrastructure to increase production to 330 ktpa
Scarborough Petroleum	>15	Non-operated	Tie back development to existing LNG facility
Wards Well Metallurgical Coal	~15	●●●●	Long-life, premium hard coking coal resource, greenfield underground longwall mine with proximity to existing operating assets
Resolution Copper	~15	Non-operated	Underground block cave with attractive grade profile and competitive cost curve position
Jansen Stage 1[14] Potash	~13	●●●	Tier 1 resource with operating costs of ~US$100/t (FOB Vancouver) and valuable expansion optionality
Jansen Stage 2-4 Potash	~16	●●	Sequenced brownfield expansions of up to 12 Mtpa (4 Mtpa per stage)
Average/aggregate	**~17**		**Aggregate unrisked value of ~US$15 bn spanning commodities and time periods**

Note: Risk profile is based on a BHP assessment of each project against defined quantified and non-quantified risk metrics rated out of 5; 5 represents more risk.

Exploration – focused on petroleum and copper

Momentum building on recent discoveries

Highly prospective Petroleum exploration and appraisal program

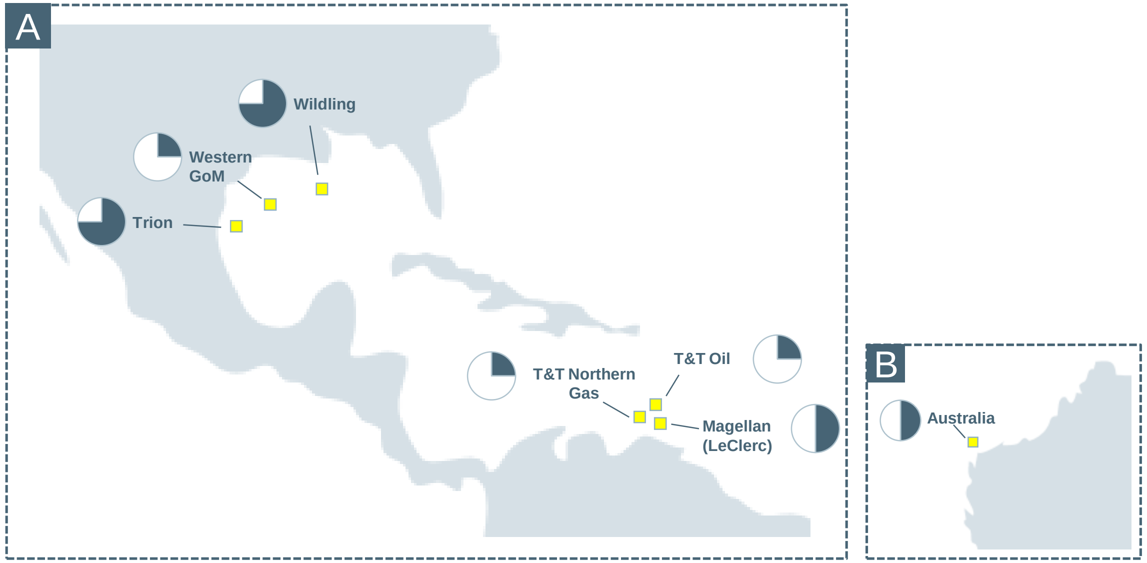
- Multi-billion boe risked potential; unrisked NPV of up to US$15 bn[10]
- Potential discoveries commercial at less than US$50/bbl
- Farmed into Samurai prospect north of Wildling discovery

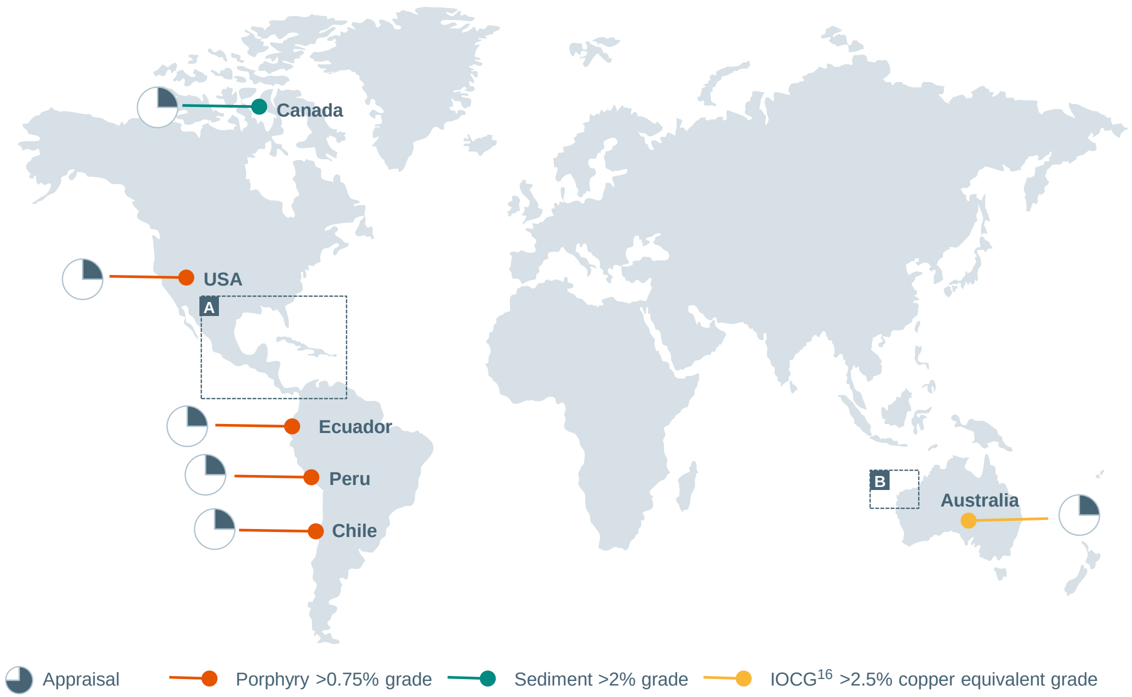
Greenfield discoveries can deliver copper for US$0.02-US$0.04/lb[15]

- Focused on porphyries, IOCGs, sediment-hosted copper
- Leveraging expertise and technology from our petroleum teams
- Concessions secured and new office established in Ecuador

Petroleum and Copper Exploration

(Focus areas and maturity)

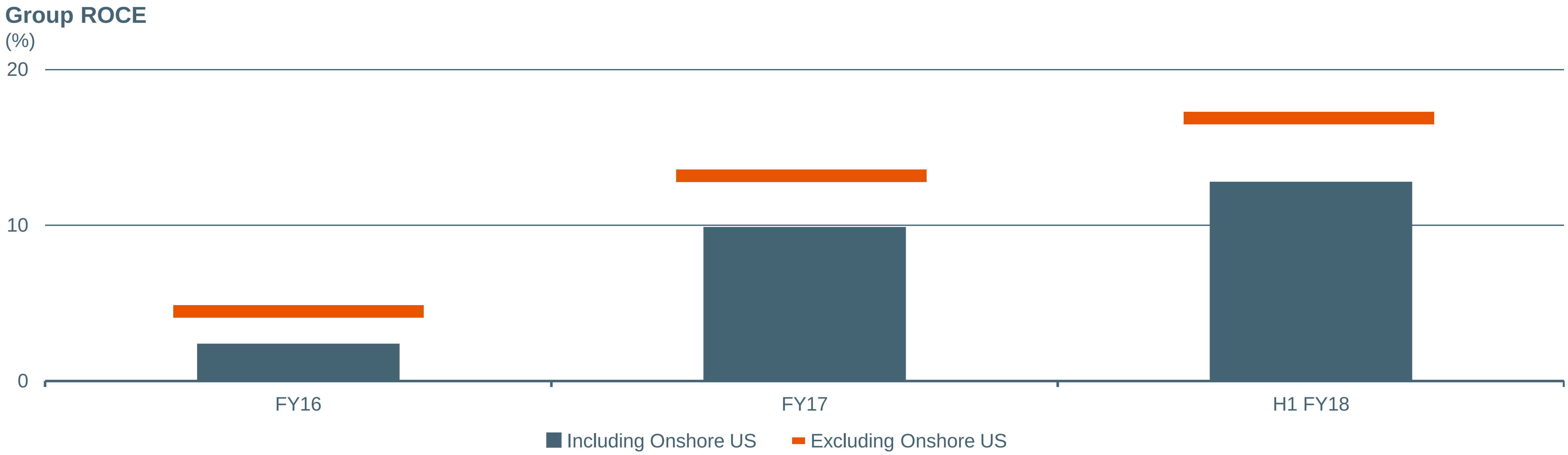




Onshore US – exit to maximise value and returns

Process tracking to plan with bids expected by June 2018, potential for announced deal by year-end[17]

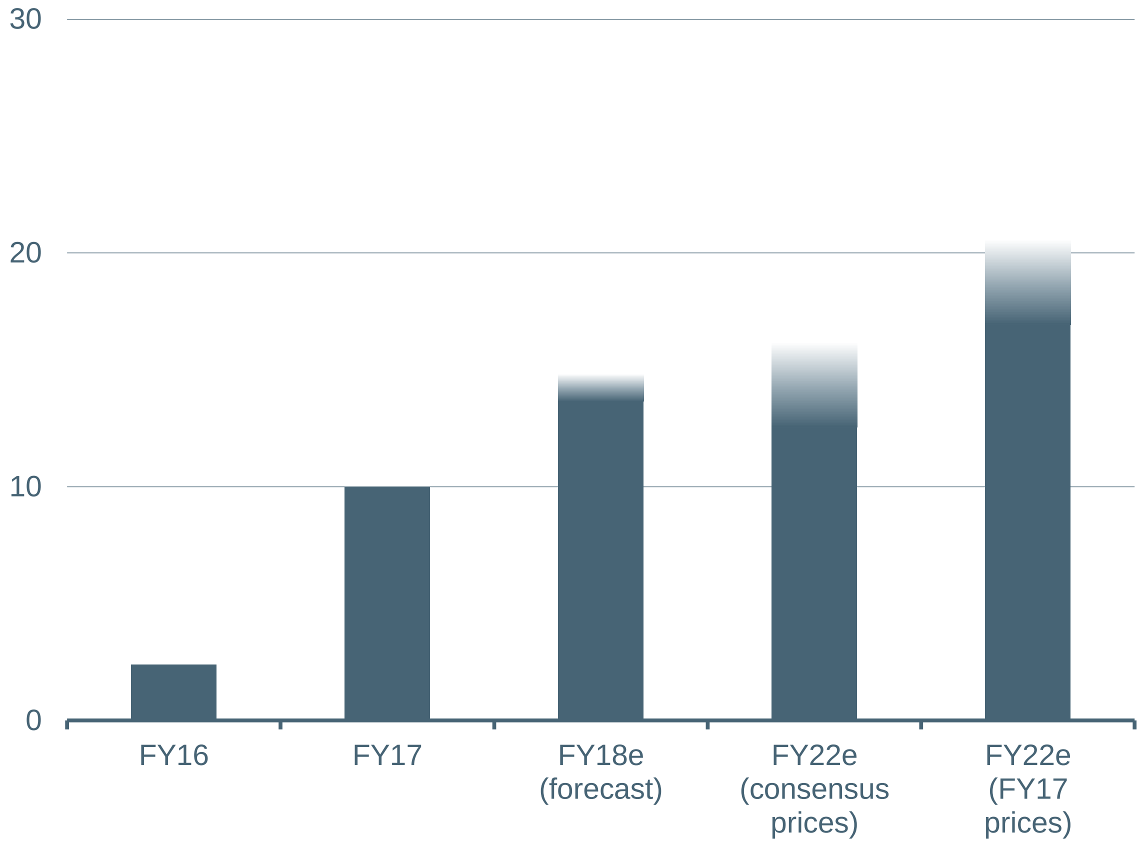
Backdrop	Process status	Impact
Successful well trials, higher oil price, lower tax rate support bidder interest	All data rooms open, bids expected by June; demerger/IPO assessments in parallel	Exit has potential to lift Group ROCE by >3% with minimal impact on free cash flow



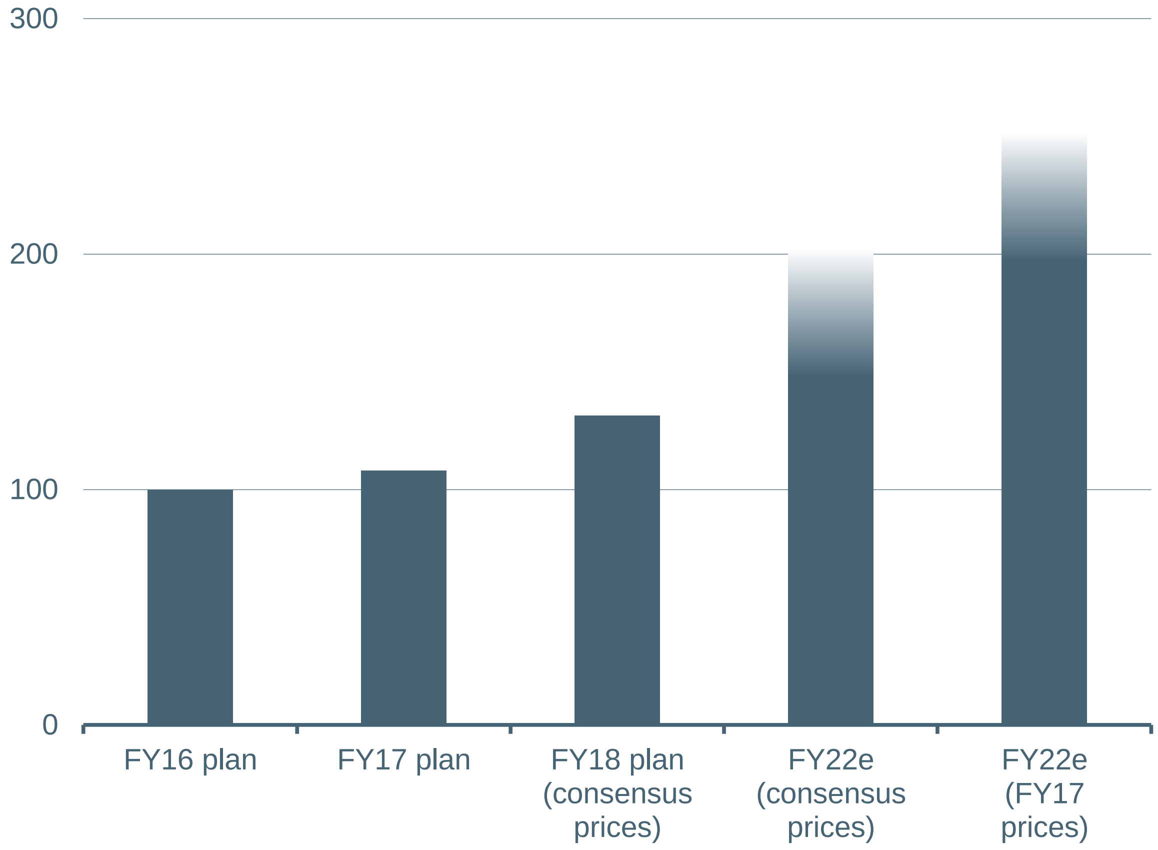
Value and returns are at the centre of everything we do

Delivery of our plans will further improve value and returns

Returns
(ROCE[2], nominal %)



Base value[4,5]
(Index, FY16=100)



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BHP

Footnotes

1. Disciplined supply: Reflects lower levels of investment across the industry.
2. ROCE: Represents annualised attributable profit after tax excluding exceptional items and net finance costs (after tax) divided by average capital employed. Capital employed is net assets before net debt. Presentation of future Underlying Return on Capital Employed (ROCE) does not constitute guidance and represents outcomes based on differing price and other scenarios.
3. FY22 ROCE: At FY17 average realised prices.
4. Base value: Reflects the planning forecasts at the time before the addition of upside opportunities.
5. Base value: FY16 plan represents base value as presented on 10 May 2016 (valuation date 1 July 2016; prices reflect either FY17 average realised prices or 2016 analyst consensus price forecasts). FY17 plan represents base value as presented on 16 May 2017 (valuation date 1 July 2017; prices reflect either FY17 average realised prices or 2017 analyst consensus price forecasts). FY18 plan represents base value as presented on 15 May 2018 (valuation date 1 July 2018; prices reflect either FY17 average realised prices or 2018 analyst consensus price forecasts).
6. Unit cost reduction: Copper equivalent unit costs between FY15 and FY17. Copper equivalent production based on FY17 average realised prices.
7. Average returns: Returns at 2016 analyst consensus price forecasts; ungeared, post-tax, nominal return.
8. 40% value uplift: Represents total potential increase in base value from the addition of upside opportunities. Values at 2018 analyst consensus price forecasts; valuation date 1 July 2018; BHP share.
9. Average returns: Returns at 2018 analyst consensus price forecasts; ungeared, post-tax, nominal return.
10. Petroleum exploration NPV: Unrisked values at BHP long-term price forecasts.
11. Medium term unit cost guidance: Based on an exchange rate of AUD/USD 0.75 and USD/CLP 663. Unit costs are in nominal terms.
12. Risk: Risk profile is based on a BHP assessment of each project against defined quantified and non-quantified risk metrics rated out of 5; 5 represents more risk.
13. Timing: Represents potential first production.
14. Jansen Stage 1: IRR is ~14% excluding the remaining investment for completion of the shafts and installation of essential service infrastructure and utilities.
15. Copper exploration: Based on industry exploration costs and BHP analysis; considers discoveries with an identified resource ≥1 Mt of contained copper.
16. IOCG: Iron ore, copper and gold poly-metallic ore body.
17. Onshore US: Refers to CY18.