

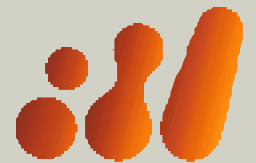
BHP Billiton Iron Ore – Western Australia

Port & Rail Operations



Mick Evans – Vice President Port & Rail

Iron Ore



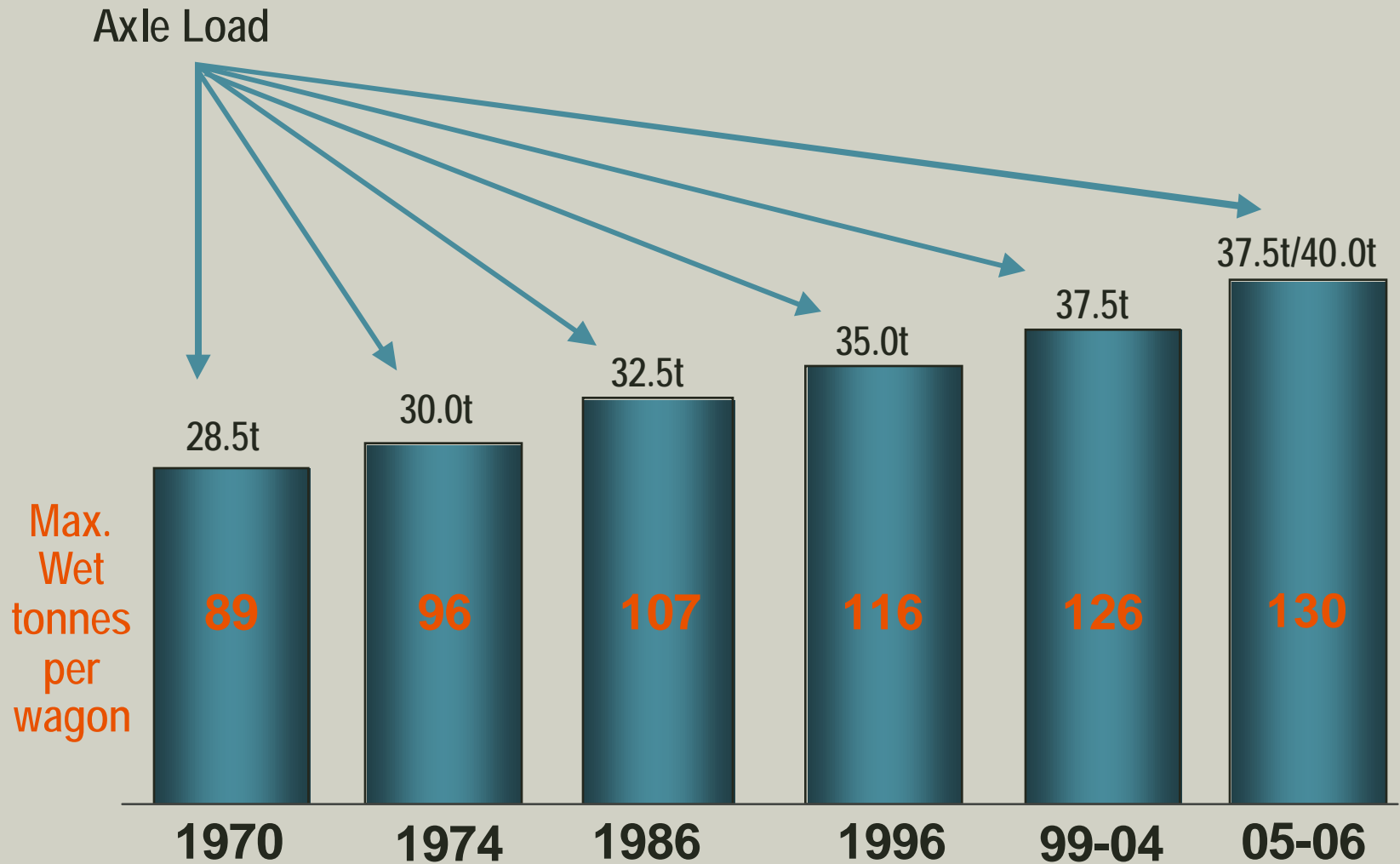
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BHP Billiton Iron Ore Railroad

- Safety focused
- Highest axle loads in the world
- Emphasis on research
- History of innovation

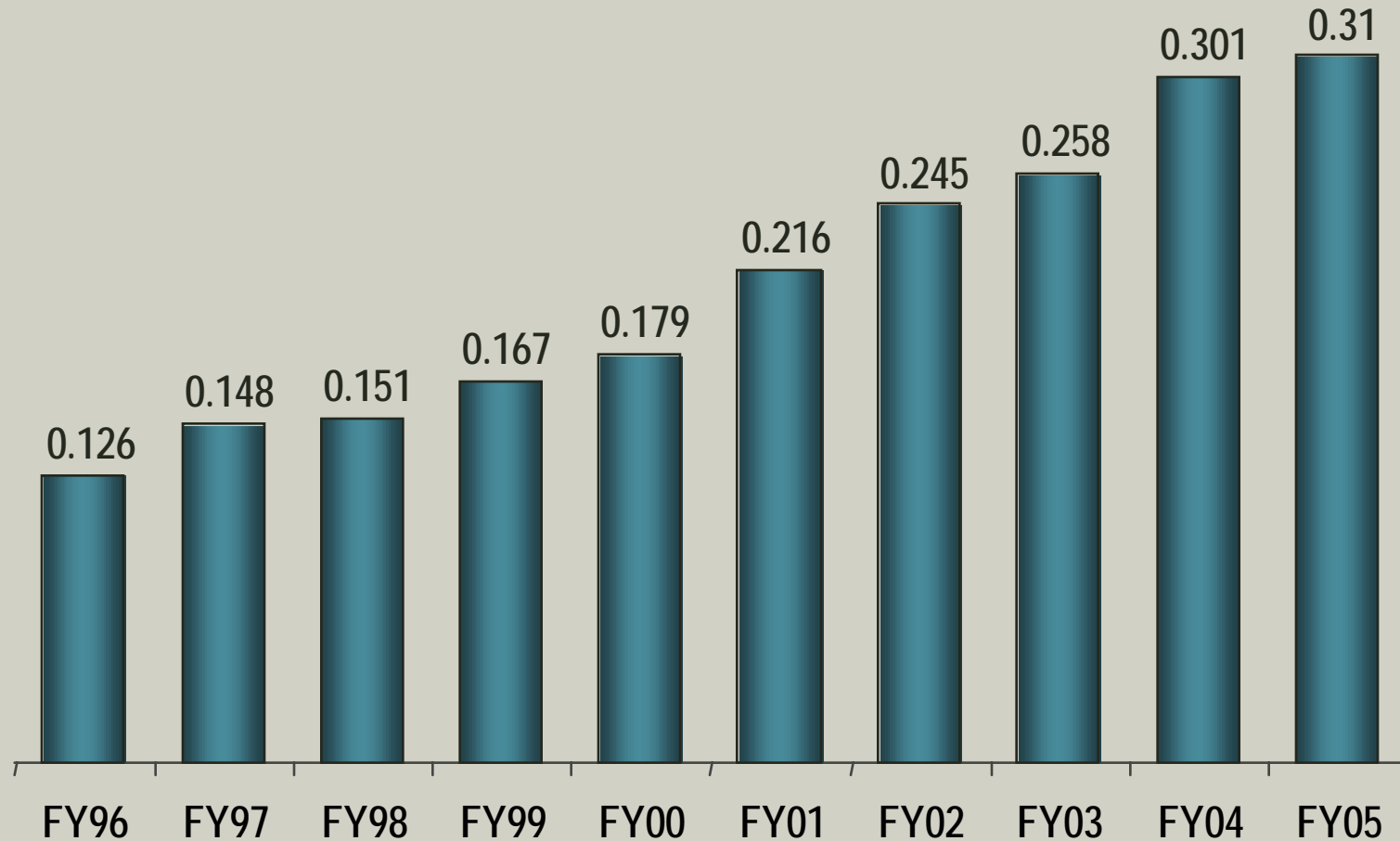


Operating Improvements Have Increased Axle Loads



Employee Productivity Tripled in the Past 10 Years

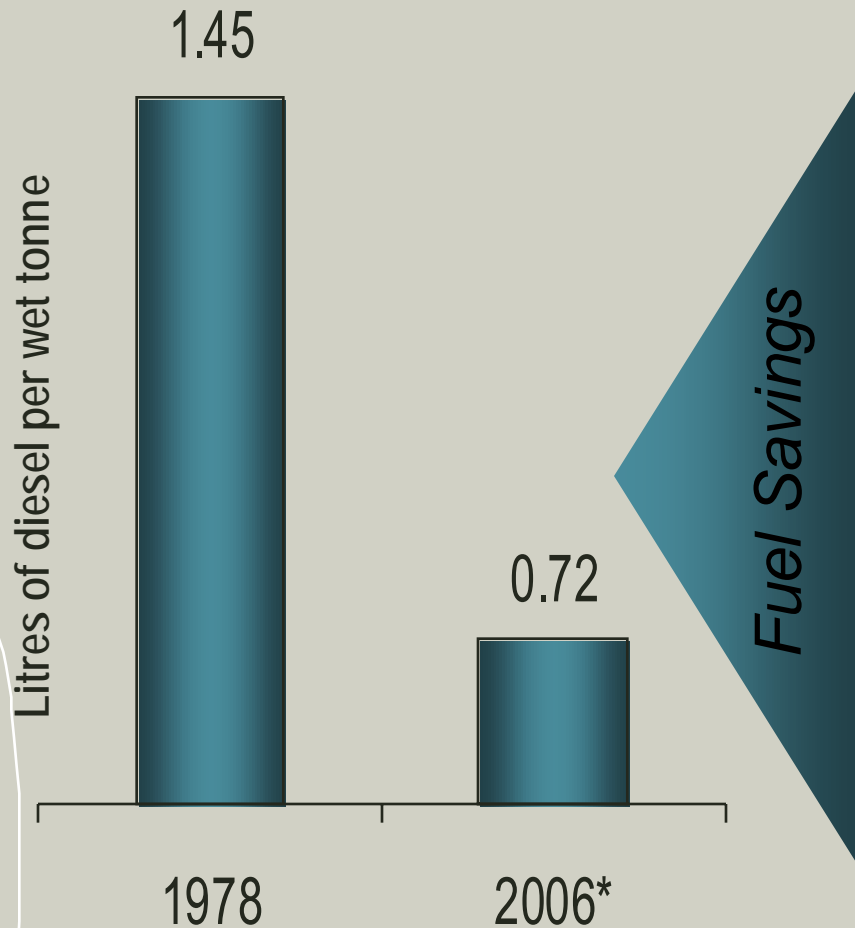
Million Tonnes Railed Per Employee



Increasing Operational Flexibility – Rail Sequencing Project

- Implemented in November 2005
- Sequentially-based dispatching method that allows trains to depart as soon as they are made up after dumping
- The sequence of destinations reflects the required blend ratio for the business (including satellite orebodies)
- Computer modeling indicated sequentially based dispatching increases productivity by around 3.5%
- Improvements have been consistently delivered around this mark

Environment & Efficiency Improvements



* Q3 FY06

Contributing Factors

- Rail / Wheel profile
- Aerodynamic Ore Cars
- Efficient Locomotives
- Distributed Power
- Higher Axle Load
- Longer Trains
- Driver Strategy

World's Longest and Heaviest Train

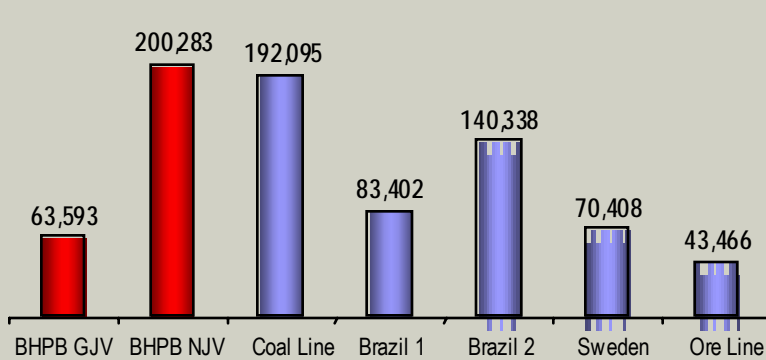
- 682 wagons = 7.353kms
- eight GE AC6000 locomotives
- 99,732 gross tonnes
- 82,262.5 tonnes of iron ore
- distributed power / 5 locations
- single driver



BHP Billiton Rail Lines - Among the Best in the World

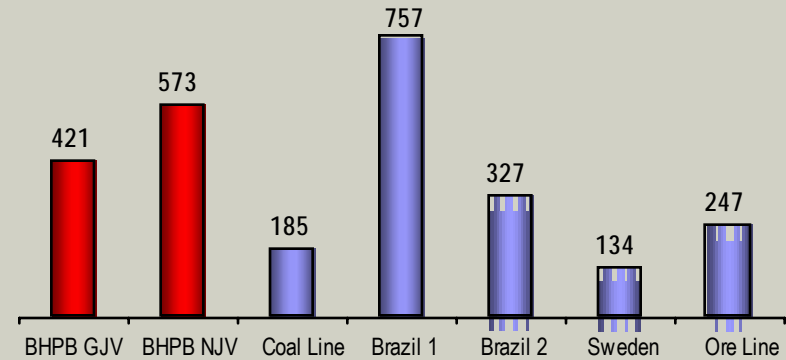
Track Productivity

Gross Tonne Railed per Route Km



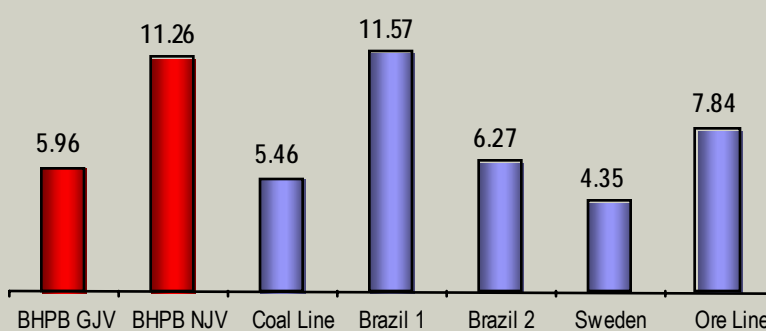
Locomotive Productivity

Million Net Tonne-Kilometres / Loco / Year



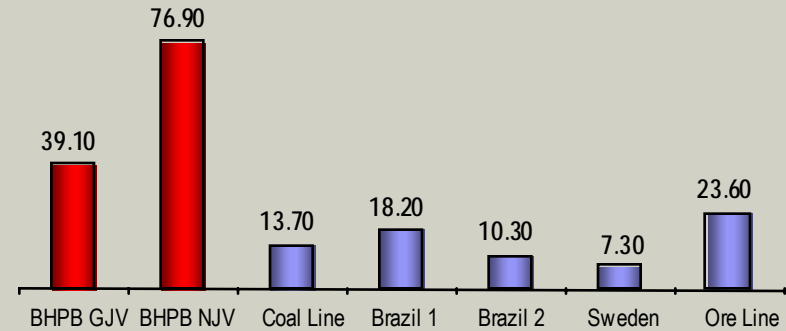
Wagon Productivity

Million Net Tonne-Kilometres / Wagon / Year



Labour Productivity (Including Contractors)

Million Net Tonne-Kilometres / Person / Year



Source: BHP Billiton, P.L. Ross Consultants Ltd

Current Train Operations

Newman Line

- Up to 14 trains per day to port & same back to mines (pass via sidings)
- Flexibility of one / two / three Rake Trains
- Train configuration:
 - 1 rake = 104 ore cars = 12,480 tonnes of ore
 - 2 rakes = 208 ore cars = 24,960 tonnes of ore
 - 3 rakes = 312 ore cars = 37,440 tonnes of ore



Goldsworthy Line

- 4 ore trains per day
- Train configuration:
 - 90 ore cars = 7,650 tonnes of ore

Infrastructure Access – Key Issue for Continued Growth

- The integrity of our rail network is vital to the efficient operation and expansion of one of the country's leading export industries;
- Track access (ie: Part IIIA imposed) is inefficient due to:
 - Loss of operational flexibility
 - Decreased rail & system capacity
 - Delays to future expansions
- And will result in:
 - Very high access charges
 - Subsidies from BHP Billiton
 - Reduced investment incentives
- Better solutions exist (safer & far more efficient):
 - Haulage agreements (ie: State Based RTA)
 - Mine gate sales
- We strongly believe in our position and will continue to vigorously defend it.





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