

BHP BILLITON LTD
Form 6-K
January 20, 2011

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

Form 6-K

REPORT OF FOREIGN PRIVATE ISSUER
PURSUANT TO RULE 13a-16 OR 15d-16
UNDER THE SECURITIES EXCHANGE ACT OF 1934

January 20, 2011

BHP BILLITON LIMITED

(ABN 49 004 028 077)
(Exact name of Registrant as specified in its charter)

VICTORIA, AUSTRALIA

BHP BILLITON PLC

(REG. NO. 3196209)
(Exact name of Registrant as specified in its charter)

ENGLAND AND WALES

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(Jurisdiction of incorporation or organisation)

(Jurisdiction of incorporation or organisation)

180 LONSDALE STREET, MELBOURNE,

NEATHOUSE PLACE, VICTORIA, LONDON,

VICTORIA

UNITED KINGDOM

3000 AUSTRALIA

(Address of principal executive offices)

(Address of principal executive offices)

Indicate by check mark whether the registrant files or will file annual reports under cover of Form 20-F or Form 40-F:

Form 20-F Form 40-F

Indicate by check mark if the registrant is submitting the Form 6-K in paper as permitted by Regulation S-T Rule 101(b)(1):

Indicate by check mark if the registrant is submitting the Form 6-K in paper as permitted by Regulation S-T Rule 101(b)(7):

Indicate by check mark whether the registrant by furnishing the information contained in this Form is also thereby furnishing the information to the Commission pursuant to Rule 12g3-2(b) under the Securities Exchange Act of 1934:

Yes No

If Yes is marked, indicate below the file number assigned to the registrant in connection with Rule 12g3-2(b): n/a

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

BHP Billiton Limited and BHP Billiton Plc

Date: January 20, 2011

By: /s/ Jane McAloon
Name: Jane McAloon
Title: Group Company Secretary

NEWS RELEASE

Release Time IMMEDIATE
Date 20 January 2011
Number 03/11

BHP BILLITON EXPLORATION AND DEVELOPMENT REPORT**FOR THE QUARTER ENDED 31 DECEMBER 2010**

This report covers the Group's exploration and development activities for the quarter ended 31 December 2010. Unless otherwise stated, BHP Billiton's interest in the projects referred to in this report is 100 per cent and references to project schedules are based on calendar years.

Development

During the December 2010 quarter, a further US\$570 million (BHP Billiton share) of capital expenditure was approved to underpin continued growth in Western Australia Iron Ore's production profile. The investment expands on BHP Billiton's earlier pre-commitment of US\$1.73 billion (BHP Billiton share) announced in January 2010 and will facilitate the ongoing development of port, rail and Jimblebar mine infrastructure.

Industry wide cost pressure is being experienced across a broad range of projects and reflects stronger producer currencies, particularly in Australia, and underlying inflation on raw material and labour costs.

| Project And Ownership | Share Of Approved Capex US\$M | Initial Production Target Date | Production Capacity (100%) | Quarterly Progress |
|--------------------------------|--------------------------------------|---------------------------------------|--|---|
| Petroleum Projects | | | | |
| Macedon | | | | |
| (Australia) | | | | |
| 71.43% | | | | |
| Gas | 1,050 | CY13 | 200 million cubic feet gas per day | On schedule and budget. Drilling campaign completed. The overall project is 14% complete. |
| Angostura Gas | | | | |
| Phase II (Trinidad and Tobago) | | | | |
| 45% | | | | |
| Gas | 180 | H1 CY11 | 280 million cubic feet gas per day | On schedule and budget. Topsides installation completed. Hook-up and commissioning progressing. The overall project is 98% complete. |
| Bass Strait Kipper | | | | |
| (Australia) | | | | |
| 32.5% - 50% | | | | |
| Gas/Gas Liquids | 900 | CY12(a) | 10,000 bpd condensate and processing capacity of 80 million cubic feet gas per day | Schedule and budget review completed. Additional funding approved. First phase of drilling completed. Mercury encountered in reservoir with solution being managed separately. The overall project is 62% complete. |
| Bass Strait Turrum | 1,350 | CY13 | | |

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| | | | | |
|-----------------------|-----|------|---|---|
| (Australia) | | | 11,000 bpd condensate and processing capacity of 200 million cubic feet gas per day | Schedule and budget review completed. Additional funding approved. The overall project is 54% complete. |
| 50% | | | | |
| Gas/Gas Liquids | | | | |
| North West Shelf | | | | |
| CWLH Life | | | | |
| Extension (Australia) | | | | On schedule and budget. Floating Production Storage and Offtake (FPSO) conversion continues. The overall project is 85% complete. |
| 16.67% | | | | |
| Oil | 245 | CY11 | Replacement vessel with capacity of 60,000 bpd oil | |

North West Shelf

North Rankin B Gas

Compression

(Australia)

16.67%

| | | | | |
|-----|-----|------|--------------------------------------|--|
| LNG | 850 | CY12 | 2,500 million cubic feet gas per day | On schedule and budget. The overall project is 62% complete. |
|-----|-----|------|--------------------------------------|--|

Minerals Projects

Worsley Efficiency &

Growth (Australia)

86%

| | | | | |
|---------|-------|---------|---------------------------------------|---|
| Alumina | 1,900 | H1 CY11 | 1.1 million tpa of additional alumina | On schedule. Budget is under review. Construction is 46% complete. The overall project is 59% complete. |
|---------|-------|---------|---------------------------------------|---|

Antamina Expansion

(Peru)

33.75%

| | | | | |
|--------|-----|---------|--|---|
| Copper | 435 | Q4 CY11 | Increases ore processing capacity to 130,000 tpd | On schedule and budget. Engineering is 91% complete. Construction is 32% complete. The overall project is 40% complete. |
|--------|-----|---------|--|---|

Iron Ore

(Western Australia)

RGP5

85%

| | | | | |
|----------|-------|---------|--|---|
| Iron Ore | 4,800 | H2 CY11 | 50 million tpa additional iron ore system capacity | Engineering is 99% complete. Construction is 89% complete. The overall project is 90% complete, based on original scope. The scope of the iron ore development sequence continues to be reviewed. |
|----------|-------|---------|--|---|

MAC20 Project

(Australia)

100%

| | | | | |
|-------------|-----|---------|---|---|
| Energy Coal | 260 | H1 CY11 | Increases saleable thermal coal production by approximately 3.5 million tpa | First production achieved ahead of schedule in October 2010. Ramp up underway. The overall project is 97% complete. |
|-------------|-----|---------|---|---|

(a) Facilities ready for first production pending resolution of mercury content.

Minerals Exploration

Grassroots exploration continued on copper targets in Chile and Zambia; nickel and copper targets in Australia; manganese targets in Gabon; and diamond targets in Canada. Exploration for iron ore, coal, bauxite, potash and manganese was undertaken in a number of regions including Australia, Canada, South America and Africa.

For the half year ended 31 December 2010, BHP Billiton spent US\$279 million on minerals exploration, of which US\$228 million was expensed.

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Petroleum Exploration

Exploration and appraisal wells drilled during the quarter or in the process of drilling as at 31 December 2010.

| Well | Location | BHP Billiton Equity | Status |
|--------------|-----------------------------|----------------------------|--------------------------|
| Deep Blue-1 | Green Canyon Gulf of Mexico | 31.875% | Temporarily suspended |
| | GC 723 | (Noble operator) | Hydrocarbons encountered |
| SE Longtom-1 | Gippsland Basin Australia | 50% | Plugged & abandoned |
| | VIC/RL09 | (Exxon operator) | Hydrocarbons encountered |
| Yellowfin-1 | Gippsland Basin Australia | 50% | Plugged & abandoned |
| | VIC/RL6 | (Exxon operator) | Dry hole |

Petroleum exploration expenditure for the half year ended 31 December 2010 was US\$173 million, of which US\$135 million was expensed.

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Further information on BHP Billiton can be found on our Internet site: www.bhpbilliton.com.

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Members of the BHP Billiton group which is headquartered in Australia