

Understanding your ESS Statement for Shareplus

For the tax year 1 July 2013 to 30 June 2014

Your Employee Share Scheme (ESS) Statement is a standard template produced by Computershare Plan Managers ('Computershare').

This document is designed to help you understand your ESS Statement and how it applies to the BHP Billiton employee equity plans. This document is general in nature and is not tax advice. You should speak to your tax advisor for more detailed advice related to your specific circumstances.

1 What awards does my ESS Statement cover?

Your Shareplus ESS Statement covers Shareplus Matched Shares that were allocated to you during the tax year ended 30 June 2014. The label on the front of each ESS Statement indicates the relevant securities exchange. This is to assist those employees who receive multiple ESS Statements, having participated in Shareplus in different locations.

2 Does my ESS Statement show the Shareplus Acquired Shares that I purchased during the year?

The ESS Statement does not cover Shareplus Acquired Shares purchased by you during the tax year. The Acquired Shares do not need to be reported to the ATO as they have been purchased at market value using your post-tax income. The tax term 'Acquisition Date' which is used on the ESS Statement refers to the date on which the rights to the **Matched Shares** were assigned to you (on a quarterly basis throughout the Shareplus plan year).

3 What is the Deferred Taxing Point and the Assessable Discount?

The 'Deferred Taxing Point' is the date on which the value of your Shareplus Matched Shares is subject to income tax for Australian tax purposes. The value of the shares at that time is called the 'Assessable Discount'.

Unless you fall into the circumstance detailed in section 4, the Deferred Taxing Point is typically the earlier of:

- (a) the allocation date of 7 April 2014, or;
- (b) the date your employment with BHP Billiton ended (if you retained your Matched Shares on cessation of employment).

Allocation Date – If 7 April 2014 is shown on your ESS Statement as your Deferred Taxing Point and the Taxing Point Description is shown as 'Holding End Date', the Assessable Discount shown on the ESS Statement is calculated using the volume-weighted average price at which BHP Billiton shares were traded on the relevant securities exchange in the week up to and including 7 April 2014.

Employment End – If 'Employment End' is your Deferred Taxing Point, the Assessable Discount shown on the ESS Statement is calculated using the volume-weighted average price at which BHP Billiton shares were traded on the relevant securities exchange in the week up to and including the date that your employment with BHP Billiton ended.

The Australian Taxation Office does not require you to use the values on the ESS Statement in your tax return. You may choose another method of calculating the market value that you consider to be more appropriate but any alternative method must be consistent with the ordinary meaning of market value, as required by Australian income tax regulations.

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4 Are there circumstances where my Deferred Taxing Point and Assessable Discount may be different to the above?

Yes. If some or all of the Matched Shares were sold within 30 days of the normal Deferred Taxing Point, the date of sale is the Deferred Taxing Point.

If the shares were sold through Computershare's online sale facility within 30 days of the Deferred Taxing Point, the Taxing Point Description on your ESS Statement will be shown as 'Sale', and the Assessable Discount will be calculated using the sale price of the shares. Where known by Computershare, any costs of sale that were met by you in relation to the shares will be shown and deducted in the statement.

If some of your shares were sold by the trustee to cover withholding taxes on the Matched Shares in a country other than Australia please refer to section 5.

If you sold the shares using your own broker, you will need to include the gross proceeds from the sale of the shares less any costs of sale in your tax return as the Assessable Discount, rather than the value that is shown on your ESS Statement(s).

5 What if I moved location between the date I purchased my Acquired Shares and the date I received my Matched Shares?

If you moved internationally at any time between the date you purchased your Acquired Shares and the date that you received your Matched Shares, you should consult with your tax advisor to determine what amounts need to be declared in your Australian income tax return. Your ESS Statement shows the full value of the shares as the 'Assessable Discount'. Depending on your individual circumstances, only a portion of this Assessable Discount may need to be included in your Australian tax return.

If you had withholding taxes on the Matched Shares in a country other than Australia, a portion of your shares will have been sold and you may have both a 'Sale' / 'Holding End Date' or 'Employment End' Taxing Point Description. You will need to consult your tax advisor as to the correct amount to include in your Australian and foreign tax returns.

Understanding your ESS Statement for Rights Plans

For the tax year 1 July 2013 to 30 June 2014

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1

What awards does my ESS Statement cover?

Your Rights ESS Statement covers Executive Plan awards allocated to you under any of the BHP Billiton employee equity plans below. The term 'Rights' as used on the ESS Statement refers to the following Executive Plan awards:

- ▶ Group Incentive Scheme (GIS) – Deferred Shares
- ▶ Group Short Term Incentive Plan (GSTIP) – Deferred Shares and Conditional Awards
- ▶ Long-Term Incentive Plan (LTIP) – Performance Shares
- ▶ Management Award Plan (MAP) – Restricted Shares and Conditional Awards

2

Why doesn't my ESS Statement include all of my awards?

The ESS Statement covers the Rights that have reached a Deferred Taxing Point during the tax year. It does not cover Rights awarded to you (or held by you) during the tax year that have not reached a Deferred Taxing Point, as there is no requirement for these to be included on the ESS Statement.

3

What is the Deferred Taxing Point and the Assessable Discount?

The 'Deferred Taxing Point' is the date on which the value of your Rights is subject to income tax for Australian tax purposes. The value of the Rights at that time is called the 'Assessable Discount'.

For Rights granted before 1 July 2009, the Deferred Taxing Point is typically the earlier of:

- (a) the date you exercise your Rights, or;
- (b) the date your employment with BHP Billiton ended (if you retained your Rights on cessation of employment).

For Rights granted on or after 1 July 2009, the Deferred Taxing Point is typically the earlier of:

- (a) the date your Rights vest (i.e. become exercisable) or;
- (b) the date your employment with BHP Billiton ended (if you retained your Rights on cessation of employment).

Vesting/Exercise – If your Deferred Taxing Point has occurred on vesting (for post 1 July 2009 awards) or exercise (for pre 1 July 2009 awards), the Taxing Point Description will be shown as 'Vesting Date' or 'Exercise' and the Assessable Discount shown on the ESS Statement will be calculated using the volume-weighted average price at which BHP Billiton shares were traded on the relevant securities exchange in the week up to and including the date your award reached the Deferred Taxing Point.

Employment End – If your Deferred Taxing Point has occurred at the time your employment ended, the Taxing Point Description will be shown as 'Employment End' and the Assessable Discount shown on the ESS Statement will be calculated using the volume-weighted average price at which BHP Billiton shares were traded on the relevant securities exchange in the week up to and including the date that your employment ended.

The Australian Taxation Office does not require you to use the values on the ESS Statement in your return. You may choose another method of calculating the market value that you consider to be more appropriate but any alternative method must be consistent with the ordinary meaning of market value, as required by Australian income tax regulations.

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Understanding your ESS Statement for Rights Plans

For the tax year 1 July 2013 to 30 June 2014

4 Are there circumstances where my Deferred Taxing Point and Assessable Discount may be different to the above?

Yes. There are two main situations where your Deferred Taxing Point may be different to the above and where the Assessable Discount shown on the ESS Statement may not be relevant to you.

(a) Election to pay tax upfront: If you made an election to pay tax up front on the Rights acquired before 1 July 2009 in the tax year that they were allocated to you and you included the relevant amount in your tax return that year, then you will not have a Deferred Taxing Point for the tax year and you can disregard the values on the ESS Statement. Capital Gains Tax implications should be considered on the sale of the underlying shares. Your tax advisor can provide further details.

(b) Sale of the shares within 30 days of the Deferred Taxing Point: If you sell the shares acquired from your Rights within 30 days of the Deferred Taxing Point under the scenarios described in Point 3, the date of sale will become the Deferred Taxing Point for the shares that were sold. If you only sell a portion of the shares from a Right within these 30 days, the Deferred Taxing Point on the portion sold will be the date of sale and the remaining shares will have a Deferred Taxing Point as outlined in Point 3 above.

If these shares were sold through Computershare's online sale facility, the Taxing Point Description on your ESS Statement will be shown as 'Sale'. The Assessable Discount will be calculated using the sale price of the shares. Where known by Computershare, any costs of sale that were met by you in relation to the shares will be shown and deducted in the ESS Statement.

If you sold the shares using your own broker, you will need to include the gross proceeds from the sale of the shares, less any costs of sale, in your tax return as the Assessable Discount, rather than the value that is shown on the ESS Statement.

5 What if I moved location between the date of the award and my Deferred Taxing Point i.e., what if I am an International Assignee?

If you moved internationally at any time between the date your Rights were granted and the date of your Deferred Taxing Point, you should consult with your tax advisor to determine what amounts need to be declared in your Australian income tax return. Your ESS Statement shows the full value of the shares as the 'Assessable Discount'. Depending on your individual circumstances, only a portion of this Assessable Discount may need to be included in your Australian tax return.