

NEWS RELEASE



Release Time IMMEDIATE
Date 8 March 2016

WORKFORCE CHANGES AT MT ARTHUR COAL

BHP Billiton Mt Arthur Coal today advised its employees of workforce changes to be implemented over coming weeks to strengthen the commercial viability of the mine.

The decision follows an extended period of declining thermal coal prices and the recent release of BHP Billiton's Interim Results, in which the NSW Energy Coal business reported a US\$9 million underlying EBIT loss for the six months to 31 December 2015.

The coal industry is facing very challenging market conditions. Over the past 18 months, global prices for thermal coal have declined by an average realised price of 27 per cent.

As a result, BHP Billiton's site leadership team has taken the decision to implement a range of workforce changes to overhaul the way the mine operates and help ensure its economic sustainability.

As part of the changes, there will be a reduction of approximately 290 roles at the mine site. Affected employees are being provided with support services, and Mt Arthur Coal has commenced consultation with employees and their representatives about the implementation of this decision.

NSW Energy Coal Asset President James Palmer said the operational and structural changes were essential in enabling Mt Arthur Coal to be commercially viable, and to provide ongoing employment opportunities in the Hunter Valley.

"Despite extensive work over the past two years to reset our production costs and safely improve the mine's productivity, Mt Arthur Coal must continue to significantly improve performance to be a globally competitive operation," Mr Palmer said.

"This decision was not taken lightly because we understand it will have a range of impacts on our workforce, their families and the local community. However, the changes will put Mt Arthur Coal on a more sustainable footing for the future.

"As we implement the changes announced today, we will continue to work closely with employees and the local community to manage the impacts of the decision and provide regular updates about the consultation process."

Media contact:

Deirdra Tindale, Manager Corporate Affairs

O: 02 6544 5409 M: 0437 353 3719

E: Deirdra.S.Tindale@bhpbilliton.com