

NEWS RELEASE

Release Time IMMEDIATE

Date 23 March 2004

Number 17/04

BHP BILLITON APPROVES RAVENSTHORPE YABULU INTEGRATED NICKEL PROJECT

BHP Billiton today announced approval for the development of the Ravensthorpe Project and related expansion of the Yabulu Nickel Refinery in Australia.

The combined project includes the development of a mine, treatment plant and associated infrastructure near Ravensthorpe, Western Australia and the expansion of the QNI Yabulu Refinery near Townsville in Queensland. The capital cost for the combined project is expected to be US\$1.4 billion, with a capital intensity of approximately US\$12.7/lb of annual nickel production.

The Ravensthorpe processing plant will employ an Enhanced Pressure Acid Leach (EPAL) hydrometallurgical process, which is a combination of pressure acid leach and atmospheric leach, producing a mixed nickel and cobalt hydroxide intermediate product (MHP). The MHP will contain up to 50,000 tonnes per annum (tpa) nickel and 1400tpa cobalt and will be packaged and shipped through the Port of Esperance to Townsville for final refining at the QNI Yabulu Refinery.

The project will increase nickel production capacity from the expanded Yabulu Refinery by more than 140% from 31,200tpa to an estimated 76,000tpa, with the life of the refinery being extended by approximately 25 years.

President Stainless Steel Materials Chris Pointon said: "The proven benefits of the combined processes, together with nearly 30 years of expertise developed at QNI, make the project technically and economically robust."

"The project is designed to enable optimal utilisation of all ore types within the Ravensthorpe resource. The refinery element of the process is a brownfield expansion of the existing, proven Yabulu nickel and cobalt refinery, meaning risks traditionally associated with a new project are substantially reduced," Mr Pointon said.

He said the project was the next major step in BHP Billiton's global nickel growth strategy since the successful Cerro Matoso Line 2 expansion in Colombia, delivered three months ahead of schedule and under budget.

New production will boost BHP Billiton's combined nickel production capacity from its Australian and Colombian operations from 85,000tpa to more than 130,000tpa by 2007. Cobalt production will increase from 2000tpa to 3400tpa. It will significantly lower unit production costs.

"We believe the key strengths of the combined project - low mining costs, high leach plant feed grade, and a world-class refining circuit - gives it the best risk/reward profile for a laterite project anywhere in the world," Mr Pointon said.

"The Ravensthorpe project will further reinforce our position as one of the largest global suppliers of finished nickel and cobalt products."

He said new production would help meet the continued structural shortfall in world nickel supply and strong demand beyond the current nickel cycle.

Construction is expected to commence in Ravensthorpe and Yabulu by late 2004, with first nickel metal production from the expanded Yabulu refinery expected in late 2007.

Forward-looking statements

This release contains forward-looking statements about BHP Billiton's development and capital expenditure plans and future production. Words such as "will," "is expected to," "is estimated to" and similar expressions are intended to identify such forward-looking statements. The statements are based on management's current expectations, estimates and projections; are not guarantees of future performance; and are subject to certain risks, uncertainties and other factors, some of which are beyond BHP Billiton's control and are difficult to predict. Certain factors that could cause actual results to differ materially are discussed in the sections entitled "Risk Factors" and "Operating and Financial Review and Prospects - General factors affecting our operating results" included in our annual report on Form 20-F for the fiscal year ended June 30, 2003, which we filed with the US Securities and Exchange Commission. You should not place undue reliance on these forward-looking statements, which speak only as of the date of this release. Unless legally required, BHP Billiton undertakes no obligation to update publicly any forward-looking statements, whether as a result of new information, future events or otherwise.

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