

9 November 2006

Chairman's Office

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Dear Shareholder

BEWARE OF OFFERS TO PURCHASE YOUR BHP BILLITON SHARES – THEY MAY UNDERVALUE YOUR INVESTMENT

I am writing to inform and warn you about unsolicited offers to purchase your BHP Billiton shares.

A company called 'Direct Share Purchasing Corporation Pty Ltd' (DSPC) has written to BHP Billiton requesting a copy of our share register. Under the Corporations Act they are entitled to do this.

We understand that this company is associated with Mr David Tweed. You may know of him; he is mentioned frequently in the media for making offers to the holders of small parcels of shares in listed companies.

You may receive an offer from DSPC. It concerns me that shareholders may unknowingly accept an offer for their BHP Billiton shares that substantially undervalues their shareholding, so if you do receive such an offer, please check it carefully. In particular, please check:

- that you are going to receive **fair value** for your shares because it is possible that you could receive more for your shares if you sold them on market through your broker. You can check the current market value of BHP Billiton shares on the Australian Stock Exchange's website at www.asx.com.au or in the daily newspapers; and
- the **terms and conditions** of the offer and, in particular, **how quickly you are going to be paid**. If you sold your shares on market through a broker, you would usually receive payment within approximately 3 days. You should check that the offer does not contemplate that you will be paid over a long period of time because this would reduce the real value to you. It may also result in unforeseen taxation consequences for you.

Of course any decision about sale of your BHP Billiton shares is one for you. I only urge you to carefully consider the terms of any offer you receive and contact your broker or financial advisor for advice. If you do not have a regular broker, information on how to get in touch with one is available from the Australian Stock Exchange's Customer Service Centre, telephone 131 279.

If you would like any further clarification on matters raised in this letter you may contact our Manager, Share Registry Services on +61 3 9609 4539.

Thank you for your support as a shareholder in BHP Billiton.

Yours sincerely



Don Argus
Chairman