

Our History: Iron Ore in the Pilbara



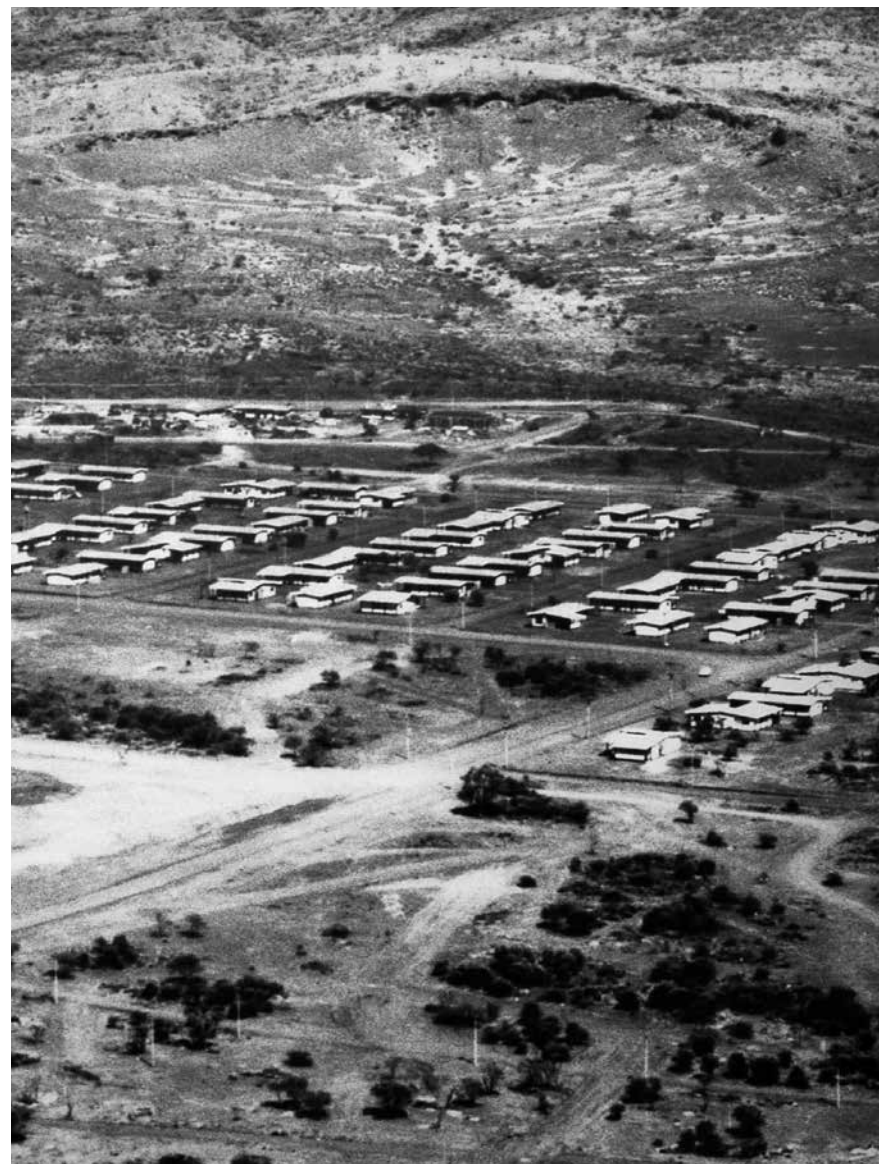


Introduction

Iron ore – the key ingredient required to make steel – is a building block of nations. It has been integral to remarkable global growth and development and it has been a key pillar of BHP Billiton in Australia for over 65 years, however the history of iron ore in Australia goes back thousands of years.

Aboriginal People in Pilbara

Archaeological evidence from rock shelter deposits in the Hamersley Ranges indicates that Aboriginal people have lived in the Pilbara for over 40,000 years and their cultural traditions continue to this day. For millennia, Aboriginal people quarried the banded iron formation to make stone tools out of chert and ironstone. To them, the Pilbara (called Bilybarra by Banjima and Njamal people) meant dry country and was shared by approximately 26 language groups. These include the Kariyarra, Nyiyaparli, Banjima, Njamal, Ngarla, Palyku, Yinhawangka, Ngarlawangga, Puutu Kunti Kurrama and Pinikura peoples associated with BHP Billiton Iron Ore's historic and current Pilbara operations.



The discovery

The story of BHP Billiton and iron ore in Australia began in 1950 with the establishment of iron ore quarries at Cockatoo Island (1950), Mt Goldsworthy (1960) and Koolan Island (1964). Because of a Federal Government embargo on the export of iron ore, the production was limited by domestic requirements. However, a discovery made in the late 1950s by A.S. Stan Hilditch would play a significant role in transforming Western Australia.

While searching for manganese, Hilditch discovered a significant iron ore deposit at Mt Whaleback in 1957. The discovery was kept secret by Hilditch and his business partner, Charles Warman, until 1960 when the embargo was lifted resulting in billions of dollars being invested in the Pilbara's iron ore production facilities, railways, ports and new towns. The sleepy tidal port of Port Hedland, gazetted a town in 1896 to service the pastoral industry and the mining of gold and tin, would become Australia's largest port in terms of annual tonnage throughput.

Within 10 years, our Iron Ore business celebrated three major milestones including the official opening and the first iron ore railed from Mt Whaleback as well as the first shipment of iron ore leaving for Japan from Nelson Point in Port Hedland on the Osumi Maru.

Iron ore would be a constant pillar on which BHP would move from the 20th into the 21st century and continues to be an integral part of our business following the merger of BHP and Billiton in 2001.



China and the 21st century

The unprecedented pace of China's growth this century has been unique to human history. According to the UN World Population Prospectus (2012), 184 million people have moved to urban centres, increasing the demand for steel to help construct the skylines of Hong Kong, Shanghai and Shenzhen, the Beijing and Guangzhou airports and the bullet train network that connects the nation.

In the early part of this century, we invested significantly to expand our iron ore production to keep up with this growth and fulfil our customers' needs. However, since 2011, our business has now entered a new phase to safely increase volumes through our world-class existing infrastructure and decreasing costs.



Today

Today, BHP Billiton has seven open pit mines across the Pilbara and four mining hubs. We operate more than 1,300 kilometres of rail running from Port Hedland to the mines at Newman, Yandi, Mining Area C and Jimblebar and two world class port facilities (Nelson Point and Finucane Island) located on either side of the Port Hedland inner harbour.

Celebrate the discovery

For over a century, BHP Billiton has been developing and contributing to industry, communities and economies around the world. It's a rich and diverse history marked by significant discoveries that have shaped us into who we are today and will continue into the future.

In this, our 130th year since the incorporation of BHP, we look back and celebrate all the successes, and all the firsts, that have gotten us here. We invite you to celebrate the discovery and help us continue to build a proud legacy in Western Australia.

For more information, please visit our website at www.bhpbilliton.com/ourhistory or watch noted Australian historian Geoffrey Blainey speak about our history on our YouTube channel at www.youtube.com/bhpbilliton.

