

BHP BILLITON FINANCE USA LTD

Form 424B5

April 02, 2007

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## **EXPLANATORY NOTE**

Due to a printer's error, the form of prospectus we filed on March 27, 2007 under Rule 424(b)(5), which was intended to consist of a preliminary prospectus dated March 26, 2007, consisted instead of a draft of the final prospectus. We are filing the preliminary prospectus herewith, which is intended to supersede the form of prospectus filed in error on March 27, 2007. We filed the final prospectus under Rule 424(b)(2) on March 28, 2007.

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**The information in this prospectus supplement is not complete and may be changed. This prospectus supplement is not an offer to sell these securities and we are not soliciting offers to buy these securities in any state where the offer or sale is not permitted.**

Filed pursuant to Rule 424(b)(5)  
Registration No. 333-141218

**Subject to completion, dated March 26, 2007**

Prospectus Supplement

(to Prospectus dated March 12, 2007)

**US\$ % Senior Notes due**

**US\$ Senior Floating Rate Notes due**

**BHP Billiton Finance (USA) Limited**

Fully and unconditionally guaranteed by

**BHP Billiton Plc and BHP Billiton Limited**

BHP Billiton Finance (USA) Limited is selling US\$ aggregate principal amount of % senior notes due and US\$ aggregate principal amount of senior floating rate notes due . BHP Billiton Finance (USA) will pay interest on the senior notes on and of each year, beginning on 2007. BHP Billiton Finance (USA) will pay interest on the senior floating rate notes on , , and of each year, beginning on 2007.

The notes will be issued by BHP Billiton Finance (USA) and will be guaranteed by each of BHP Billiton Limited, an Australian corporation, and BHP Billiton Plc, an English public limited company. The notes will rank equally in right of payment with all the issuer's other unsecured and unsubordinated debt obligations. The guarantees will rank equally in the right of payment with each guarantor's other unsecured and unsubordinated debt obligations.

BHP Billiton Finance (USA) will make payments of principal and interest on the notes free and clear of, and without withholding or deduction for, any Australian and United Kingdom taxes. In the event that payments of principal and interest on the notes become subject to Australian or United Kingdom withholding tax, BHP Billiton Finance (USA) will pay additional amounts so that the amount received by holders of notes after withholding tax will equal the amount that would have been received had no withholding tax been applicable, subject to some exceptions described in the attached prospectus. In the event that changes in withholding tax law, treaties or interpretations require BHP Billiton Finance (USA) to pay these additional amounts, it may redeem the notes before their stated maturity at a price equal to 100% of their principal amount plus accrued interest to, but not including, the redemption date.

**See Risk Factors beginning on page 1 of the attached prospectus for a discussion of material risks that you should consider before deciding whether to invest in the notes.**

Neither the Securities and Exchange Commission nor any other regulatory body has approved or disapproved of these securities, or passed upon the accuracy or adequacy of this prospectus supplement or the attached prospectus. Any representation to the contrary is a criminal offense.

	Price to	Underwriters	Proceeds to the Issuer (before expenses)
	Investors	Discount	
Per % senior note due	%	%	%
Per senior floating rate note due	%	%	%
Total	\$	\$	\$
Interest on the notes will accrue from the delivery date.			

The underwriters are offering the notes subject to various conditions. The underwriters expect to deliver the notes in book-entry form through the facilities of The Depository Trust Company and its participants, including Euroclear and Clearstream, Luxembourg on or about , 2007.

**Banc of America Securities LLC**

**JPMorgan**

March , 2007.

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You should read this prospectus supplement along with the prospectus that follows. Both documents contain information you should consider when making your investment decision. You should rely on the information contained in or incorporated by	
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reference into this prospectus supplement and the attached prospectus. We have not, and the underwriters have not, authorized any other person to provide you with different information. If anyone does provide you with different or inconsistent information, you may not rely on it. We are not, and the underwriters are not, making an offer to sell these securities in any jurisdiction where the offer or sale is not permitted. You should assume that the information appearing in this prospectus supplement and the attached prospectus is accurate only as of the date on the bottom of the front cover of this prospectus supplement. Our business, financial condition, results of operations and prospects may have changed since that date.

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## **About this prospectus supplement**

In this prospectus supplement, the terms “we”, “our”, “us”, “BHP Billiton” and “BHP Billiton Group” refer to BHP Billiton Limited and BHP Billiton Plc, together with their respective subsidiaries (including the issuer). “BHP Billiton Plc Group” refers to the group that is BHP Billiton Plc and its subsidiary companies. “BHP Billiton Limited Group” refers to the group that is BHP Billiton Limited and its subsidiary companies. “BHP Billiton Plc” refers to the parent entity that was formerly Billiton Plc before the implementation of the dual listed company structure and “BHP Billiton Limited” refers to the parent entity that was formerly BHP Limited before the dual listed company structure. We refer to BHP Billiton Finance (USA) Limited as “BHP Billiton Finance (USA)” or the “issuer”. We refer to BHP Billiton Limited and BHP Billiton Plc together as the “guarantors”.

This prospectus supplement contains the terms for this offering of notes. This prospectus supplement, or the information incorporated by reference in this prospectus supplement, may add, update or change information in the attached prospectus. If information in this prospectus supplement, or the information incorporated by reference in this prospectus supplement, is inconsistent with the information in the accompanying prospectus, then the information in this prospectus supplement, or incorporated by reference in this prospectus supplement, will apply and will supersede that information in, or incorporated by reference into, the accompanying prospectus. Capitalized terms used but not defined in this prospectus supplement have the meanings given to those terms in the accompanying prospectus.

It is important for you to read and consider all information contained in this prospectus supplement and the accompanying prospectus in making your investment decision. You should also read and consider the information in the documents we have referred you to under “Where You Can Find More Information About the BHP Billiton Group” in the attached prospectus.

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## **Summary**

### **The BHP Billiton Group**

We are the world's largest diversified resources group with a combined market capitalization of approximately US\$115.7 billion as of January 31, 2007 and we generated revenue, together with our share of jointly controlled entities' revenue and profit attributable to members of BHP Billiton of US\$39.1 billion and US\$10.5 billion respectively for the fiscal year ended June 30, 2006.

Since June 2001, we have operated under a Dual Listed Companies (DLC) structure. Under the DLC structure, the two parent companies, BHP Billiton Limited (formerly BHP Limited, and before that The Broken Hill Proprietary Company Limited) and BHP Billiton Plc (formerly Billiton Plc), operate as a single economic entity, run by a unified Board and management team.

We divide our business into nine business units, or Customer Sector Groups (CSGs):

Petroleum, which explores for, produces, processes and markets hydrocarbons including oil, gas and liquefied natural gas;

Aluminium, which explores for and mines bauxite and processes and markets aluminium and alumina;

Base Metals, which explores for, mines, processes and markets copper, silver, zinc, lead, uranium, and copper by-products including gold and molybdenum;

Diamonds and Specialty Products, which explores for and mines diamonds and titanium minerals, and formerly included our recently-sold fertiliser operations;

Stainless Steel Materials, which explores for, mines, processes and markets nickel, which is used in the production of stainless steel;

Iron Ore, which explores for, mines, processes and markets iron ore;

Manganese, which explores for, mines, processes and markets manganese, which is also used in the production of carbon steel;

Metallurgical Coal, which explores for, mines, processes and markets metallurgical coal, which is used in the production of carbon steel; and

Energy Coal, which explores for, mines, processes and markets energy coal for use in electricity generation.

Iron Ore, Manganese and Metallurgical Coal, which prior to July 1, 2006 were reported as the Carbon Steel Materials CSG, are now reported as separate CSGs.

In addition to the nine CSGs, we also have a minerals exploration group, a technology group and a freight, transport and logistics operation.

### **Recent developments**

***CEO retirement***

On February 7, 2007, our Chief Executive Officer, Mr. Chip Goodyear, announced that he will retire from BHP Billiton by the end of the 2007 calendar year. Mr. Goodyear will continue to lead

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the company until a replacement is in place. The Board will consider both internal and external replacements for Mr. Goodyear.

***Capital management***

On February 7, 2007, we announced a US\$10 billion increase to the US\$3 billion capital management program we announced in August 2006. This amount will be returned to shareholders over the next 18 months through a series of share buy-backs. We are currently undertaking a A\$3.5 billion (US\$2.8 billion) off-market buy-back of BHP Billiton Limited shares, under which we will repurchase 141.1 million shares at a price of A\$24.81 per share. The 141.1 million shares to be repurchased represent 2.42 per cent of the issued share capital of the BHP Billiton Group and 4.03 per cent of BHP Billiton Limited. The purchase price represents a discount of 14 per cent to the volume weighted average market price of the shares over the five trading days up to and including March 23, 2007, the last day of the tender period. We expect to complete the purchase of the shares on April 2, 2007. In addition, since we announced the program in August, we have returned approximately US\$1.9 billion through a series of on-market buy-backs of BHP Billiton Plc shares. We intend to fund the capital management program from cash and borrowings. We expect that our gearing will increase as a result of the capital management program but do not expect that it will compromise our A credit rating or our ability to fund our pipeline of organic growth projects.

***Increased project budgets and schedules***

Since we filed our annual report on Form 20-F, we have announced increased budgets and/or schedules for the following projects:

Project and ownership percentage	Reported in 2006 Form 20-F		As at the date of this Prospectus Supplement	
	Share of approved	Initial production	Share of approved	Initial production
	capex (US\$ millions)	target date (Calendar year)	capex (US\$ millions)	target date (Calendar year)
Alumar Refinery Expansion  (Aluminium)				
36% Ravensthorpe Nickel  (Stainless Steel Materials)	518	Mid 2008	725	Q2 2009
100% Yabulu Extension  (Stainless Steel Materials)	1,340	Q2 2007	2,200	Q1 2008
460  (Stainless Steel Materials)	460	Q3 2007	556	Q1 2008
100% Atlantis South  (Petroleum)				
44%	1,115	Under review	1,500(1)	H2 2007(1)

North West Shelf 5<sup>th</sup>  
Train

(Petroleum)

16.67%

250

Late 2008

300

Late 2008

1. The schedule and capex for Atlantis South remain subject to review; but we estimate a capital cost of approximately US\$1.5 billion.

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In addition, we are currently experiencing some cost pressure at our Neptune and Stybarrow developments (Petroleum).

### ***Euro bond issuance***

On February 26, 2007, we issued and sold 600 million of 4.375% Euro Bonds due February 2014 and 600 million of 18 month Floating Rate Notes due August 2008. We used the proceeds to refinance commercial paper.

### ***Acquisition of Genghis Khan***

On February 1, 2007, we announced the completion of the purchase from Anadarko Petroleum of the Genghis Khan oil and gas development in the deepwater Gulf of Mexico. The transaction, which was first announced in November 2006, closed for US\$1.326 billion, with our net share being US\$583 million. Genghis Khan was discovered in 2005 on Green Canyon Block 652. The field is part of the same geological structure as the Shenzi project, which the company sanctioned for development last year. We are the operator both at Shenzi and Genghis Khan and hold a 44 percent interest. Co-venturers are Hess Corporation and Repsol YPF, each with 28%.

### ***Rapid Growth Project 4***

On March 23, 2007, we announced approval for the Rapid Growth Project 4 (RGP4), which will increase system capacity across our Western Australian iron ore operations to 155 million tonnes per annum (Mtpa). Initial production is expected to commence in the first half of the 2010 calendar year.

We have approved capital expenditure of US\$1.85 billion for our share of the project, which includes development of a new crushing and screening plant, as well as additional stockyards, car dumping and train loading facilities at Mt Whaleback. Infrastructure upgrades will also be implemented at satellite orebodies and the rail and port operations.

## **The issuer**

BHP Billiton Finance (USA) Limited, a corporation organized under the laws of the Commonwealth of Australia, is a wholly-owned finance subsidiary of BHP Billiton Limited. BHP Billiton Finance (USA) was formed for the purpose of borrowing on behalf of the BHP Billiton Group and advancing the net proceeds of such borrowings to members of the BHP Billiton Group. The principal executive offices of BHP Billiton Finance (USA) are located at 180 Lonsdale Street, Melbourne, Victoria 3000, Australia. The issuer's telephone number is 011-61-3-9609-3333.

BHP Billiton Finance (USA) is empowered under its Constitution to borrow or raise money in such manner as it sees fit and in particular by the issue of debentures or other securities, such as the notes.

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## The offering

Notes Being Offered	% Senior Notes due (the fixed rate notes ) and Senior Floating Rate Notes due (the floating rate notes and, together with the fixed rate notes, the notes ).		
Issuer	BHP Billiton Finance (USA) Limited.		
Guarantors	BHP Billiton Plc and BHP Billiton Limited.		
Principal Amount	Fixed rate notes: US\$ aggregate principal amount. Floating rate notes: US\$ aggregate principal amount.		
Issue Price	Fixed rate notes:  Floating rate notes:		
Maturity Date	Fixed rate notes:   Floating rate notes:		
Interest Rate	The fixed rate notes will bear interest at the rate of % per year from based upon a 360-day year consisting of twelve 30-day months.  The floating rate notes will bear interest at a rate per year, reset quarterly, equal to LIBOR plus %, as determined by the Calculation Agent.		
Interest Payment Dates	Interest on the fixed rate notes will be payable semi-annually on and of each year, commencing 2007. The record dates for interest payments will be and .  Interest on the floating rate notes will be payable quarterly on each of , , and of each year, beginning , 2007. The record dates for interest payments will be , , and .		
Ranking	The notes will be unsecured obligations of BHP Billiton Finance (USA) and will rank equally in right of payment with all other unsecured and unsubordinated debt obligations of BHP Billiton Finance (USA), and the guarantees will be unsecured obligations of BHP Billiton Plc and BHP Billiton Limited and will rank equally in right of payment with all other unsecured and unsubordinated debt		

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obligations of BHP Billiton Plc and BHP Billiton Limited, except, in each case, indebtedness given preference by applicable law.

### **Use of Proceeds**

We anticipate the net proceeds from the issue and sale of the notes, after deducting underwriting discounts and commissions and our estimated expenses, will be approximately US\$ . We intend to use the net proceeds from the offering of the notes for general corporate purposes. See Use of Proceeds .

### **Further Issues**

We may from time to time, without notice to or the consent of the holders of the notes, create and issue additional debt securities having the same terms as and ranking equally and ratably with the notes in

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all respects, as described more fully in Description of Debt Securities That We May Offer Default and Related Matters Further Issues on page 24 in the attached prospectus.

### **Additional Amounts**

In the event that certain Australian or United Kingdom withholding taxes are required to be withheld or deducted from payments on the notes or guarantees, we will, subject to some exceptions, pay such additional amounts as will result, after deduction or withholding of such taxes, in the payment of the amounts which would have been payable in respect of the notes or guarantees had no such withholding or deduction been required. See Description of Debt Securities That We May Offer Special Situations Payment of Additional Amounts on page 17 in the attached prospectus.

### **Optional Redemption for Tax Reasons**

The notes may be redeemed at our option in whole but not in part, at the principal amount thereof plus accrued interest and any additional amounts due on the date fixed for redemption if certain events occur that would cause us to become obligated to pay additional amounts as described under Description of Debt Securities That We May Offer Special Situations Optional Tax Redemption on page 16 in the attached prospectus.

The notes may not otherwise be redeemed at our option or at the option of the holders at any time prior to their maturity.

### **Form, Denomination and Registration of Notes**

We will issue the notes as global notes registered in the name of The Depository Trust Company (DTC) or its nominee. Investors may hold book-entry interests in a global note through organizations that participate, directly or indirectly, in the DTC system. Book-entry interests in the global notes and all transfers relating to the global notes will be reflected in the book-entry records of DTC or its nominee. Book-entry interests in the notes will be issued in minimum denominations of US\$2,000 and in integral multiples of US\$1,000.

### **Clearance and Settlement**

The distribution of the notes will be cleared through DTC. Any secondary market trading of book-entry interests in the notes will take place through DTC participants, including Euroclear and Clearstream, Luxembourg and will settle in same-day funds through DTC's same-day funds settlement system. The CUSIP number for the fixed rate notes is . The CUSIP number for the floating rate notes is .

### **Restrictive Covenants**

We have agreed to observe covenants, including covenants as to limitation on the incurrence of liens and limitations on sale and leaseback transactions. See Description of Debt Securities That We May Offer Restrictive Covenants on page 19 in the attached prospectus.

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**Trustee and Calculation Agent** The Bank of New York is the trustee under the indenture, dated as of April 17, 2003, and will act as Calculation Agent with respect to the floating rate notes.

**Governing Law** The notes, guarantees and indenture will be governed by New York law.

**Risk Factors** Prospective purchasers of the notes should consider carefully all of the information set forth in, or incorporated by reference in, this prospectus supplement and, in particular, the information set forth under **Risk Factors** on page 1 in the attached prospectus, before deciding whether to make an investment in the notes.

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## **Use of proceeds**

We anticipate the net proceeds from the issue and sale of the notes, after deducting underwriting discounts and commissions and our estimated expenses, will be approximately US\$            billion. We will use the net proceeds from the offering of the notes for general corporate purposes.

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The following tables set out the capitalization of the BHP Billiton Group at December 31, 2006 and as adjusted to give effect to this offering and the application of the proceeds thereof, in accordance with IFRS. On February 26, 2007, we issued 1.2 billion of Euro bonds and used the proceeds to repay commercial paper. See [Summary Recent Developments Euro Bond Issuance](#). Under IFRS, both the Euro bonds and the repaid commercial paper would be recorded under Long-term debt Other unsecured in the following table. On February 7, we announced a US\$10 billion increase to the US\$3 billion capital management program we announced in August 2006. This amount will be returned to shareholders over the next 18 months through a series of share buy-backs, which we will fund from cash and borrowings. As part of this program, on April 2, 2007, we expect to complete the repurchase of US\$2.8 billion of BHP Billiton Limited shares in an off-market buy-back. See [Summary Recent Developments Capital Management](#).

(in US\$ millions)	At December 31, 2006	
	Actual	As Adjusted
		(unaudited)
<b>Amounts in Accordance with IFRS</b>		
Short-term debt	1,386	
Long-term debt		
% Senior Notes due		
% Senior Floating Rate Notes due		
Other unsecured	7,189	
Secured	54	
Total long-term debt	7,243	
Equity		
Share capital(1)		
BHP Billiton Limited	1,498	
BHP Billiton Plc	1,234	
Share premium account	518	
Treasury shares	(1,768)	
Reserves	492	
Profit and loss account	26,006	
Total equity	27,980	
Total capitalization	36,609	

(1) The amount of issued capital yet to be paid at December 31, 2006 was A\$3 million for BHP Billiton Limited and nil for BHP Billiton Plc.

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The selected financial information for BHP Billiton reflects the combined operations of both BHP Billiton Limited and BHP Billiton Plc. BHP Billiton Limited and BHP Billiton Plc each reports, as its primary financial statements under the requirements of the Securities and Exchange Commission, the BHP Billiton Group's consolidated financial statements prepared in accordance with International Financial Reporting Standards as adopted by the European Union (IFRS) and presented in US dollars. The BHP Billiton Group's financial statements were prepared in accordance with IFRS for the first time in the 2006 fiscal year, and, as such, the basis of preparation is different to that of prior periods. The comparative financial information for the 2005 fiscal year has been restated in accordance with IFRS. Details of the principal differences between IFRS and US generally accepted accounting principles, or US GAAP, are set forth in note 39 US Generally Accepted Accounting Principles disclosures in the financial statements in our annual report on Form 20-F for the 2006 fiscal year filed on September 25, 2006.

The selected consolidated financial information for the BHP Billiton Group set forth below as at and for the fiscal years ended June 30, 2006 and 2005 should be read in conjunction with and is qualified in its entirety by reference to the audited BHP Billiton Group annual financial statements and the accompanying notes included in our annual report on Form 20-F for the fiscal year ended June 30, 2006, filed with the SEC on September 25, 2006 and amended on December 18, 2006. The selected unaudited consolidated interim financial information set forth below as of and for the six months ended December 31, 2006 and 2005 should be read in conjunction with and is qualified in its entirety by reference to the interim financial information for such periods furnished to the SEC on Form 6-K on March 12, 2007 and incorporated by reference herein.

(US\$ millions except per share data)	Half Year ended December 31,		Year ended June 30,	
	2006	2005	2006	2005
<b>Consolidated Income Statement</b>				
<b>Amounts in accordance with IFRS</b>				
Revenue together with share of jointly controlled entities revenue	22,113	18,080	39,099	31,150
Less: share of jointly controlled entities external revenue included above	(3,610)	(2,880)	(6,946)	(4,428)
Revenue	18,503	15,200	32,153	26,722
Profit from operations	8,519	6,259	14,671	9,271
Profit attributable to members of BHP Billiton Group	6,168	4,364	10,450	6,396
Dividends per ordinary share paid during the period (US cents)	18.5	14.5	32.0	23.0
Dividends per ordinary share declared in respect of the period (US cents)	20.0	17.5	36.0	28.0
Earnings per ordinary share (basic) (US cents)(a)	103.9	72.1	173.2	104.4
Earnings per ordinary share (diluted) (US cents)(a)	103.8	71.9	172.4	104.0
Number of ordinary shares (millions)				
At period end	5,965	6,058	5,964	6,056
Weighted average	5,934	6,055	6,035	6,124
Diluted	5,955	6,081	6,066	6,156

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(US\$ millions except per share data)	Year ended June 30,				
	2006	2005	2004	2003	2002
<b>Consolidated Income Statement</b>					
<b>Amounts in accordance with US GAAP(b)</b>					
Sales revenue	32,153	26,722	22,887	15,608	13,552
Operating income	9,043	6,554	3,489	2,780	1,698
Net income total	9,783	6,388	2,716	1,581	1,249
Net income from continuing operations	9,783	6,388	2,716	1,576	1,513
Net (loss)/income from discontinued operations				5	(264)
Per Ordinary Share:					
Net income attributable to members					
Basic from continuing operations (US cents)	159.7	104.3	43.7	25.5	25.1
Diluted from continuing operations (US cents)	158.9	103.7	43.5	25.4	25.0
Basic from discontinued operations					(4.4)
Diluted from discontinued operations					(4.4)
Basic total (US cents)	159.7	104.3	43.7	25.5	20.7
Diluted total (US cents)	158.9	103.7	43.5	25.4	20.6
Per American Depositary Share:					
Net income attributable to members					
Basic total (US cents)	319.4	208.6	87.4	51.0	41.4
Diluted total (US cents)	317.8	207.4	87.0	50.8	41.2

(US\$ millions)	As at		As at	
	December 31, 2006	2005	June 30, 2006	2005
<b>Consolidated Balance Sheet</b>				
<b>Amounts in accordance with IFRS</b>				
Total assets	51,740	44,278	48,516	41,843
Total non-current portion of interest bearing liabilities	7,243	8,427	7,648	8,651
Contributed equity	3,250	3,380	3,242	3,363
Equity attributable to members	27,980	21,140	24,218	17,575

(US\$ millions)	2006	2005	2004	As at June 30,	
				2003	2002
<b>Consolidated Balance Sheet</b>					
<b>Amounts in accordance with US GAAP</b>					
Total assets total	53,317	46,861	36,675	35,001	35,795
Total assets of continuing operations	53,317	46,861	36,675	35,001	33,023
Equity attributable to members	27,839	22,004	18,802	16,832	17,147

(a) The calculation of the number of ordinary shares used in the computation of basic earnings per share is the aggregate of the weighted average number of ordinary shares outstanding during the period of BHP Billiton Plc and BHP Billiton Limited after deduction of the number of shares held by the Billiton share repurchase scheme and the Billiton Employee Share Ownership Trust, the BHP Performance Share Plan Trust and the BHP Bonus Equity Plan Trust and adjusting for the BHP Billiton Limited bonus share issue. Included in the calculation of fully diluted

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earnings per share are shares and options contingently issuable under employee share ownership plans.

- (b) On July 1, 2005, we changed our US accounting policy for pension and other post retirement benefits. Details of the impact on the fiscal year ended June 30, 2006 and pro forma disclosures for the fiscal year ended June 30, 2005 had the policy been applied, are set out in note 39 US Generally Accepted Accounting Principles disclosures in the financial statements in our annual report on Form 20-F for the 2006 fiscal year. Had the change in policy been applied to previous years, the impact on net income would not have been material in the fiscal years ended June 30, 2004 or 2003, and would have had an impact of US\$200 million in the fiscal year ended June 30, 2002. The impact on earnings per share would have been an increase of 0.6 US cents per share in the fiscal year ended June 30, 2004 and decreases of 1.4 and 3.3 US cents per share in the fiscal years ended June 30, 2003 and 2002 respectively.

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## **Description of notes**

*The following description of the particular terms of the notes supplements the description of the general terms and provisions of the debt securities set forth in the attached prospectus. See Description of Debt Securities That We May Offer beginning on page 8 of the attached prospectus. To the extent the following description is inconsistent with that set forth in the attached prospectus, the following description replaces that in the attached prospectus.*

### **General**

The fixed rate notes will be issued in an initial aggregate principal amount of US\$                      and will mature on                      . The floating rate notes will be issued in an aggregate principal amount of US\$                      and will mature on                      . Book-entry interests in the notes will be issued in minimum denominations of US\$2,000 and in integral multiples of US\$1,000. The notes and guarantees will be governed by New York law.

The notes will be unsecured, unsubordinated indebtedness of BHP Billiton Finance (USA) Limited and will rank equally with all of our other unsecured and unsubordinated indebtedness from time to time outstanding.

BHP Billiton Plc and BHP Billiton Limited each will unconditionally guarantee on an unsubordinated basis the due and punctual payment of interest on and principal of the notes, when and as any such payments become due and payable, whether at maturity, upon redemption or declaration of acceleration, or otherwise. The guarantees of the notes will be unsecured, unsubordinated obligations of BHP Billiton Plc and BHP Billiton Limited. The guarantees will rank equally with all other unsecured and unsubordinated indebtedness of BHP Billiton Plc and BHP Billiton Limited from time to time outstanding. Because BHP Billiton Plc and BHP Billiton Limited are holding companies, the notes will effectively be subordinate to any indebtedness of each of their subsidiaries.

The corporate trust office of the trustee in the City of New York is currently designated as the principal paying agent. We may at any time designate additional paying agents or rescind the designation of paying agents or approve a changing in the office through which any paying agent acts.

Payment of principal of and interest on the notes, so long as the notes are represented by global notes, as discussed below, will be made in immediately available funds. Beneficial interests in the global notes will trade in the same-day funds settlement system of The Depository Trust Company (DTC) and secondary market trading activity in such interests will therefore settle in same-day funds.

### **Interest**

#### ***Fixed rate notes***

The fixed rate notes will bear interest at the applicable rate per annum shown on the cover page of this prospectus supplement, payable semi-annually in arrears on                      and                      of each year, commencing                      , 2007. The regular record dates for payments of interest will be                      and                      . Interest on the fixed rate notes will be computed on the basis of a 360-day year of twelve 30-day months.

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### ***Floating rate notes***

The floating rate notes will bear interest at a rate per annum, reset quarterly, equal to LIBOR plus \_\_\_\_\_%, as determined by the calculation agent (the *Calculation Agent*), which shall initially be The Bank of New York. Interest on the floating rate notes is payable quarterly in arrears on \_\_\_\_\_, \_\_\_\_\_, \_\_\_\_\_ and \_\_\_\_\_, commencing \_\_\_\_\_, 2007. The regular record dates for payments of interest will be \_\_\_\_\_, \_\_\_\_\_, \_\_\_\_\_ and \_\_\_\_\_.

Set forth below is a summary of certain of the defined terms used in the terms of the floating rate notes:

*Determination Date*, with respect to an Interest Period, will be the second London Banking Day preceding the first day of such Interest Period.

*Interest Period* means the period commencing on and including an interest payment date and ending on and including the day immediately preceding the next succeeding interest payment date, with the exception that the first Interest Period shall commence on and include the date of issuance of the floating rate notes and end on and include \_\_\_\_\_, 2007.

*LIBOR*, with respect to an Interest Period, will be the rate (expressed as a percentage per annum) for deposits in U.S. dollars for a three-month period beginning on the second London Banking Day after the Determination Date that appears on Reuters LIBOR01 Page as of 11:00 a.m., London time, on the Determination Date. If Reuters LIBOR01 Page does not include such a rate or is unavailable on a Determination Date, the Calculation Agent will request the principal London office of each of four major banks in the London interbank market, as selected by the Calculation Agent (at the written direction of the Company), to provide such bank's offered quotation (expressed as a percentage per annum), as of approximately 11:00 a.m., London time, on such Determination Date, to prime banks in the London interbank market for deposits in a Representative Amount in U.S. dollars for a three-month period beginning on the second London Banking Day after the Determination Date. If at least two such offered quotations are so provided, the rate for the Interest Period will be the arithmetic mean of such quotations. If fewer than two such quotations are so provided, the Calculation Agent will request each of three major banks in New York City, as selected by the Calculation Agent (at the written direction of the Company), to provide such bank's rate (expressed as a percentage per annum), as of approximately 11:00 a.m., New York City time, on such Determination Date, for loans in a Representative Amount in U.S. dollars to leading European banks for a three-month period beginning on the second London Banking Day after the Determination Date. If at least two such rates are so provided, the rate for the Interest Period will be the arithmetic mean of such rates. If fewer than two such rates are so provided, then the rate for the Interest Period will be the rate in effect with respect to the immediately preceding Interest Period or in the case of the first Interest Period, \_\_\_\_\_% per year.

*London Banking Day* is any day on which dealings in U.S. dollars are transacted or, with respect to any future date, are expected to be transacted in the London interbank market.

*Representative Amount* means a principal amount of not less than \$1,000,000 for a single transaction in the relevant market at the relevant time.

*Reuters LIBOR01 Page* means the display so designated on the Reuters 3000 Xtra (or such other page as may replace that page on that service, or such other service as may be nominated as the information vendor, for the purpose of displaying rates or prices comparable to the London Interbank Offered rate for U.S. dollar deposits).

Interest on the floating rate notes will be calculated on the basis of a 360 day year and the actual number of days in the Interest Period in which it accrues.

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All percentages resulting from any of the above calculations will be rounded, if necessary, to the nearest one hundred thousandth of a percentage point, with five one-millionths of a percentage point being rounded upwards (e.g., 9.876545% (or .09876545) being rounded to 9.87655% (or .0987655)) and all dollar amounts used in or resulting from such calculations will be rounded to the nearest cent (with one-half cent being rounded upwards).

The interest rate on the floating rate notes will in no event be higher than the maximum rate permitted by New York law as the same may be modified by United States law of general application.

The Calculation Agent will, upon the request of the holder of any floating rate note, provide the interest rate then in effect with respect to the floating rate notes. All calculations made by the Calculation Agent in the absence of manifest error will be conclusive for all purposes and binding on the Issuer, the Guarantors and the holders of the floating rate notes.

## **Tax redemption**

In the event of various tax law changes after the date of this prospectus supplement and other limited circumstances that would require us to pay additional amounts as described in the attached prospectus on page 17 under **Description of Debt Securities That We May Offer Special Situations Payment of Additional Amounts**, BHP Billiton Finance (USA), BHP Billiton Plc or BHP Billiton Limited may call all, but not less than all, of the notes for redemption. This means we may repay the notes early. Our ability to redeem the notes is discussed in greater detail on page 16 of the attached prospectus under **Description of Debt Securities That We May Offer Special Situations Optional Tax Redemption**. If we call the notes as a result of such tax law changes, we must pay 100% of their principal amount. We will also pay the holders accrued interest if we have not otherwise paid interest through, but not including, the redemption date. Notes will stop bearing interest on the redemption date, even if the holders do not collect their money.

In either of the situations discussed above, we will give notice to DTC of any redemption we propose to make at least 30 days, but not more than 60 days, before the redemption date. Notice by DTC to participating institutions and by these participants to street name holders of indirect interests in the notes will be made according to arrangements among them and may be subject to statutory or regulatory requirements

## **Defeasance and discharge**

We may release ourselves from any payment or other obligations on the notes as described under **Description of Debt Securities That We May Offer Defeasance and Covenant Defeasance Defeasance and Discharge** on page 22 of the attached prospectus.

## **Trustee**

The trustee under the indenture governing the notes is The Bank of New York. See **Description of Debt Securities That We May Offer** on page 8 in the attached prospectus for a description of the trustee's duties generally and the procedures and remedies available to it in the event of a default under the notes.

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## Underwriting

### Underwriting agreement

We have entered into an underwriting agreement dated March , 2007 relating to the notes and the guarantees with the underwriters for the offering named below. Subject to certain conditions, each underwriter has severally agreed to purchase the principal amounts of the notes indicated in the following table at the price to investors less the underwriters' discount set forth on the cover page of this prospectus supplement.

Underwriters	Principal Amount of fixed rate Notes	Principal Amount of floating rate Notes
Banc of America Securities LLC	US\$	US\$
J.P. Morgan Securities Inc.		
Total	US\$	US\$

Banc of America Securities LLC and J.P. Morgan Securities Inc. are the joint book-runners for the offering of the notes.

The underwriting agreement provides that the obligations of the several underwriters to purchase the notes included in this offering are subject to the following conditions:

delivery of customary executed documentation to the underwriters prior to the closing of the offering;

prior to the closing of the offering, there not having been any material adverse change affecting our condition, earnings, business or operations from those set forth in this prospectus supplement, including a downgrading in our credit rating; and

between the date of the underwriting agreement and the closing of the offering, certain market-related events not having occurred, such as the following:

a suspension in trading on the New York Stock Exchange or American Stock Exchange;

a general moratorium on commercial banking activities declared by the U.S. federal or New York state authorities;

an outbreak or escalation of hostilities or a declaration by the United States of a national emergency or war; or



a material adverse change in general economic, political or financial conditions.

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The underwriters are obligated to purchase all the notes if they purchase any of the notes. The underwriting agreement does not provide for any increase in the aggregate principal amount of the notes being offered in this offering. However, we may issue further notes. See the section entitled Description of Debt Securities That We May Offer Default and Related Matters Further Issues on page 24 in the attached prospectus.

The issuer and the guarantors have jointly and severally agreed to indemnify the several underwriters against various liabilities, including liabilities under the Securities Act of 1933.

## **The distribution**

We have been advised by the underwriters that they propose initially to offer some of the notes to the public at the prices to investors set forth on the cover page of this prospectus supplement. After the initial public offering, the prices to investors may be changed by the underwriters at their own initiative.

Purchasers of the notes may be required to pay stamp taxes and other charges in accordance with the laws and practices of the country of purchase in addition to the prices to investors set forth on the cover page of this prospectus supplement.

No assurance can be given as to the liquidity of, or the trading markets for, the notes. We have been advised by the underwriters that they intend to make a market in the notes, but they are not obligated to do so and may discontinue such market-making at any time without notice.

In connection with the offering, the underwriters may purchase and sell notes in the open market. These transactions may include over-allotment, syndicate covering transactions and stabilizing transactions. Over-allotment involves syndicate sales of notes in excess of the principal amount of notes to be purchased by the underwriters in this offering, which creates a syndicate short position. Syndicate covering transactions involve purchases of the notes in the open market after the distribution has been completed in order to cover syndicate short positions. Stabilizing transactions consist of certain bids or purchases of notes made for the purpose of preventing or retarding a decline in the market price of the notes while the offering is in progress.

The underwriters also may impose a penalty bid. This occurs when a particular underwriter repays to the underwriters a portion of the underwriting discount received by it because the representatives have repurchased notes sold by or for the account of such underwriter in stabilizing or short covering transactions.

These activities by the underwriters may stabilize, maintain or otherwise affect the market price of the notes. As a result, the prices of the notes may be higher than the price that otherwise might exist in the open market. If the underwriters commence these activities, they may discontinue the activities at any time. These transactions may be effected in the over-the-counter market or otherwise.

We estimate that our share of the total expenses of the offering, excluding underwriting discounts and commissions, will be approximately US\$340,000.

The underwriters and their affiliates have performed certain investment banking and advisory and general financing and banking services for us from time to time for which they have received customary fees and expenses. In the ordinary course of business, the underwriters and their affiliates have engaged, and may in the future engage, in commercial banking or investment

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banking transactions with us and our affiliates or have performed, and may in the future perform, other financial services for all or any part of us and our affiliates.

No prospectus or other disclosure document in relation to the notes has been lodged with the Australian Securities and Investments Commission or the Australian Stock Exchange Limited. Each underwriter has represented and agreed that it:

(a) has not made or invited, and will not make or invite, an offer of the notes for issue or sale in Australia, including an offer or invitation which is received by a person in Australia; and

(b) has not distributed or published, and will not distribute or publish, the prospectus supplement or prospectus or any other offering material or advertisement relating to the notes in Australia,

unless, in either case (a) or (b):

(c) the minimum aggregate consideration payable by each offeree is at least A\$500,000, disregarding moneys lent by the offeror or its associates, or the offer otherwise does not require disclosure to investors in accordance with Part 6D.2 of the Australian Corporations Act; and

(d) such action complies with all applicable laws and regulations.

Each of the underwriters has severally represented, warranted and agreed that:

(a) (i) it is a person whose ordinary activities involve it acquiring, holding, managing or disposing of investments (as principal or agent) for the purposes of its business and (ii) it has not offered or sold and will not offer or sell any notes other than to persons whose ordinary activities involve them in acquiring, holding, managing or disposing of investments (as principal or as agent) for the purposes of their businesses or who it is reasonable to expect will acquire, hold, manage or dispose of investments (as principal or agent) for the purposes of their businesses where the issue of the notes would otherwise constitute a contravention of section 19 of the Financial Services and Markets Act 2000 (FSMA) by the issuer;

(b) it has only communicated or caused to be communicated and will only communicate or cause to be communicated an invitation or inducement to engage in investment activity (within the meaning of section 21 of the FSMA) received by it in connection with the issue or sale of the notes in circumstances in which section 21(1) of the FSMA does not apply to the issuer or the guarantors; and

(c) it has complied and will comply with all applicable provisions of the FSMA with respect to anything done by it in relation to the notes in, from or otherwise involving the United Kingdom.

In relation to each Member State of the European Economic Area which has implemented the Prospectus Directive (each, a Relevant Member State), each underwriter has represented and agreed severally and not jointly, that with effect from and including the date on which the Prospectus Directive is implemented in that Relevant Member State (Relevant Implementation Date), it has not made and will not make an offer of the notes to the public in that Relevant

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Member State prior to the publication of a prospectus in relation to the notes which has been approved by the competent authority in that Relevant Member State or, where appropriate, approved in another Relevant Member State and notified to the competent authority in that Relevant Member State, all in accordance with the Prospectus Directive, except that it may, with effect from and including the Relevant Implementation Date, make an offer of notes to the public in that Relevant Member State at any time:

(a) to legal entities which are authorized or regulated to operate in the financial markets or, if not so authorized or regulated, whose corporate purpose is solely to invest in securities;

(b) to any legal entity which has two or more of (1) an average of at least 250 employees during the last financial year; (2) a total balance sheet of more than 43,000,000; and (3) an annual turnover of more than 50,000,000 as shown in its last annual or consolidated accounts; or

(c) in any other circumstances which do not require the publication by the issuer or any guarantor of a prospectus pursuant to Article 3 of the Prospective Directive.

For the purposes of this provision, the expression offer of the notes to the public in relation to any of the notes in any Relevant Member State means the communication in any form and by any means of sufficient information on the terms of the offer and the notes to be offered to as to enable an investor to decide to purchase or subscribe the notes, as the same may be varied in that member state by any measure implementing the Prospectus Directive in that Member State and the expression Prospectus Directive means Directive 2003/71/EC and includes any relevant implementing measure in each Relevant Member State.

Banc of America Securities LLC and J.P. Morgan Securities Inc. have agreed, severally and not jointly, that they will ensure that the underwriters offer the notes (i) to at least 10 persons, each of whom is carrying on a business of providing finance or investing or dealing in securities in the course of operating in a financial market, and is not known to be an associate (as defined in section 128F(9) of the Income Tax Assessment Act 1936 of Australia (Australian Tax Act)) of any other persons to whom the offer is made by the underwriter under this section; or (ii) in such other manner as which satisfies section 128F(3) of the Australian Tax Act. Such offers will be made within 30 days of the underwriters being unconditionally obliged to offer the notes for sale.

Each underwriter has represented and warranted that it is and will be acting as an underwriter in the course of carrying on a business of providing finance, or investing or dealing in securities in the course of operating in financial markets and, except as disclosed to the issuer, it is not, so far as it is aware, an associate of any other underwriter within the meaning of the Australian Tax Act.

Each underwriter has represented and agreed that, in connection with the primary distribution of the notes, it will not (directly or indirectly) sell notes to any person if, at the time of such sale, any employee of the underwriter making the offer, effecting the sale or otherwise directly involved in the sale knew or had reasonable grounds to suspect that, as a result of such sale, any notes (or an interest in any notes) was being, or would be, acquired (directly or indirectly) by an Offshore Associate (as defined below) other than in the capacity of a dealer, manager or underwriter in relation to the placement of those notes or in the capacity of a clearing house, custodian, funds manager or responsible entity of an Australian registered scheme. For the avoidance of doubt, if an underwriter does not know, or does not have reasonable grounds to

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suspect, that a person is an associate of the issuer or one of the guarantors, nothing in this paragraph obliges that underwriter to make positive inquiries of that person to confirm that person is not an Offshore Associate. In this paragraph, Offshore Associate means an associate (as defined in section 128F(9) of the Australian Tax Act) of the issuer or one of the guarantors that is either a non-resident of Australia that does not acquire the notes in carrying on a business at or through a permanent establishment in Australia, or a resident of Australia that acquires the notes at or through a permanent establishment outside Australia.

The notes are offered in a global offering for sale in those jurisdictions in the United States, Europe, Australia and elsewhere where it is lawful to make such offers.

We are not aware that any of our major shareholders, directors or executive officers intend to subscribe for notes in this offering or that any person intends to subscribe for more than 5% of the aggregate principal amount of the notes offered in this offering.

Each of the underwriters has represented and agreed that it has not and will not offer, sell or deliver any of the notes directly or indirectly, or distribute this prospectus supplement or any other offering material relating to the notes, in or from any jurisdiction except under circumstances that (1) will result in compliance with the applicable laws and regulations thereof and (2) will not impose any obligations on us except as set forth in the underwriting agreement.

The address of Banc of America Securities LLC, one of the joint book-runners, is 9 West 57<sup>th</sup> Street, New York, New York 10019. The address of J.P. Morgan Securities Inc., the other joint book-runner, is 270 Park Avenue, New York, New York 10017.

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## **Legal matters**

The validity of the notes and guarantees will be passed upon for the BHP Billiton Group by Skadden, Arps, Slate, Meagher & Flom LLP, New York, New York as to certain matters of New York law. The validity of the notes and guarantees will be passed upon for the BHP Billiton Group by Anthony Austin and Jeremy Thomas, internal legal counsel to the BHP Billiton Group, as to certain matters of Australian and English law, respectively.

Certain legal matters relating to the offering will be passed upon for the underwriters by Jones Day, Sydney, Australia.

## **Independent registered public accounting firms**

The BHP Billiton Group's audited financial statements at June 30, 2006 and 2005, and for each of the two years in the two year period ended June 30, 2006 incorporated by reference herein and in the registration statement have been so included in reliance on the report by KPMG Audit Plc, independent registered public accounting firm, United Kingdom, and KPMG, independent registered public accounting firm, Australia, incorporated by reference herein, and upon the authority of such firms as experts in accounting and auditing.

With respect to the unaudited interim financial information as of and for the six months ended December 31, 2006 and 2005 incorporated by reference herein, the independent registered public accounting firms have reported that they applied limited procedures in accordance with professional standards for a review of such information. However, their separate report included in the BHP Billiton Group's report furnished on Form 6-K on March 12, 2007 and incorporated by reference herein, states that they did not audit and they do not express an opinion on that interim financial information. Accordingly, the degree of reliance on their report on such information should be restricted in light of the limited nature of the review procedures applied. The accountants are not subject to the liability provisions of Section 11 of the Securities Act of 1933 (the "1933 Act") for their report on the unaudited interim financial information because that report is not a report or a part of the registration statement prepared or certified by the accountants within the meaning of Sections 7 and 11 of the 1933 Act.

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**PROSPECTUS**

**Debt Securities**

**BHP Billiton Finance (USA) Limited**

**Fully and unconditionally guaranteed by**

**BHP Billiton Plc**

**and**

**BHP Billiton Limited**

---

BHP Billiton Finance (USA) Limited may sell debt securities to the public from time to time in one or more series.

The debt securities will be issued by BHP Billiton Finance (USA) Limited and will be guaranteed by each of BHP Billiton Limited, an Australian corporation, and BHP Billiton Plc, an English public limited company.

We urge you to read this prospectus and the accompanying prospectus supplement, which will describe the specific terms of the debt securities, carefully before you make your investment decision. We may sell these securities to or through underwriters as well as to other purchasers or through agents. The names of the underwriters or agents will be included in the prospectus supplement.

**See Risk Factors beginning on page 1 for a discussion of material risks that you should consider before investing in the debt securities.**

**Neither the Securities and Exchange Commission nor any other regulatory body has approved or disapproved of these securities, or passed upon the accuracy or adequacy of this prospectus. Any representation to the contrary is a criminal offense.**

This prospectus may not be used to sell securities unless it is accompanied by a prospectus supplement.

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The date of this prospectus is March 12, 2007.

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### **RISK FACTORS**

*Investing in the debt securities offered by this prospectus involves risk. We have set forth risk factors relating to our business in our most recent annual report on Form 20-F, which is incorporated by reference in this prospectus. We also set forth below certain additional risk factors that relate specifically to the securities we may offer using this prospectus. We may include further risk factors in more recent reports on Form 6-K incorporated in this prospectus by reference or in a prospectus supplement.*

*You should carefully consider all of these risks, as well as the other information in, or incorporated by reference in the prospectus and any prospectus supplement before you decide whether to buy the debt securities. If any of the situations described in these risks actually occur, our business, financial condition and results of operations would likely suffer. In this case, any trading price of the debt securities could decline and you could lose all or part of your investment.*

#### **Risks relating to the Debt Securities**

***Since BHP Billiton Plc and BHP Billiton Limited are holding companies and conduct their operations through subsidiaries, your right to receive payments on the guarantees is subordinated to the other liabilities of their subsidiaries other than BHP Billiton Finance (USA).***

BHP Billiton Plc and BHP Billiton Limited are organized as holding companies and substantially all of their operations are carried on through subsidiaries. Their principal source of income is the dividends and distributions they receive from their subsidiaries. The ability of BHP Billiton Plc and BHP Billiton Limited to meet their financial obligations is dependent upon the availability of cash flows from their subsidiaries and affiliated companies through dividends, intercompany advances, management fees and other payments. These subsidiaries and affiliated companies are not required and may not be able to pay dividends to BHP Billiton Plc and BHP Billiton Limited.

Claims of the creditors of the subsidiaries of BHP Billiton Plc and of the subsidiaries of BHP Billiton Limited have priority as to the assets of such subsidiaries over the claims of BHP Billiton Plc or BHP Billiton Limited. Consequently, on the insolvency of BHP Billiton Plc and BHP Billiton Limited and their respective subsidiaries, holders of debt securities issued by the issuer and guaranteed by BHP Billiton Plc and BHP Billiton Limited are structurally subordinated, to the prior claims of the creditors of subsidiaries of BHP Billiton Plc and BHP Billiton Limited other than the issuer.

In addition, some of these subsidiaries are subject to laws restricting the amount of dividends they may pay. For example, these laws may prohibit dividend payments when net assets would fall below subscribed share capital, when the subsidiary lacks available profits or when the subsidiary fails to meet certain capital and reserve requirements. English and Australian law prohibits those subsidiaries incorporated in the United Kingdom or Australia from paying dividends unless these payments are made out of distributable profits. Other statutory and general law obligations also affect the ability of directors of these subsidiaries to declare dividends and the ability of these subsidiaries to make payments to BHP Billiton Plc or BHP Billiton Limited on account of intercompany loans.

***Since the debt securities are unsecured, your right to receive payments may be adversely affected.***

The debt securities will be unsecured. At December 31, 2006, the BHP Billiton Group had US\$60 million aggregate principal amount of secured indebtedness outstanding. If BHP Billiton Finance (USA) defaults on the debt securities or BHP Billiton Limited or BHP Billiton Plc defaults on the guarantees, or after the bankruptcy, liquidation or reorganization of any of them, then, to the extent that the issuer or the guarantors have granted security over their assets, the assets that secure these debts will be used to satisfy the obligations under that secured debt before any payment on the debt securities or the guarantees can be made. There may only be limited assets available to make payments on the debt securities or the guarantees in the event of an acceleration of the

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debt securities. If there is not enough collateral to satisfy the obligations of the secured debt, then the remaining amounts on the secured debt would share equally with all unsubordinated unsecured indebtedness.

***If the issuer defaults on the debt securities, or the guarantors default on the guarantees, your right to receive payments on the guarantees may be adversely affected by English or Australian insolvency laws.***

BHP Billiton Plc is incorporated under the laws of England and Wales. Accordingly, insolvency proceedings with respect to BHP Billiton Plc would be likely to proceed under, and be governed by, English insolvency law. The procedural and substantive provisions of English insolvency laws generally are more favorable to secured creditors than comparable provisions of United States law. These provisions afford debtors and unsecured creditors only limited protection from the claims of secured creditors and it will generally not be possible for the guarantors, the issuer or other unsecured creditors to prevent or delay the secured creditors from enforcing their security to repay the debts due to them.

BHP Billiton Limited and BHP Billiton Finance (USA) are incorporated under the laws of Australia and, therefore, insolvency proceedings with respect to them would be likely to proceed under, and be governed by, Australian insolvency law. The procedural and substantive provisions of Australian insolvency laws are also generally more favorable to secured creditors than comparable provisions of United States law. These provisions afford debtors and unsecured creditors only limited protection from the claims of secured creditors and it will generally not be possible for the guarantors, the issuer or other unsecured creditors to prevent or delay the secured creditors from enforcing their security to repay the debts due to them.

***There is no established trading market for the debt securities that BHP Billiton Finance (USA) is offering and one may not develop.***

The debt securities will be new securities for which there currently is no established trading market. There is a risk regarding the future development of a market for the debt securities or the ability of holders of the debt securities to sell their debt securities or the price at which such holders may be able to sell their debt securities. If such a market were to develop, the debt securities could trade at prices that may be lower than the initial public offering price depending on many factors, including prevailing interest rates, BHP Billiton Group's operating results and the market for similar securities. Therefore, there is a risk as to the liquidity of any trading market for the debt securities or that an active public market for the debt securities will not develop.

***Since the issuer and the guarantors reside outside the United States and a substantial portion of their respective assets is located outside the United States, there is a risk that service of process, enforcement of judgments and bringing of original actions will be more difficult.***

The issuer and BHP Billiton Limited are corporations organized under the laws of the Commonwealth of Australia. BHP Billiton Plc is a public limited company incorporated under the laws of England and Wales.

Substantially all the directors and officers of these companies, and some of the experts named in this document, reside outside the United States, principally in Australia and the United Kingdom. A substantial portion of the assets of these companies, and the assets of the directors, officers and experts, is located outside the United States. Therefore, you may not be able to effect service of process within the United States upon these companies or persons so that you may enforce judgments of United States courts against them based on the civil liability provisions of the United States federal securities laws. In addition, you may have difficulty bringing an original action in an Australian or United Kingdom court to enforce liabilities against any of these companies or any person described above based on U.S. federal securities laws.

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### **ABOUT THIS PROSPECTUS**

This prospectus is part of a registration statement that we filed with the U.S. Securities and Exchange Commission using the shelf registration, or continuous offering, process. Under this shelf registration process, we may sell the debt securities described in this prospectus from time to time in one or more offerings.

This prospectus provides you with a general description of the debt securities we may offer. Each time we sell debt securities, we will provide a prospectus supplement containing specific information about the terms of the debt securities. The prospectus supplement may also add to, update or change information contained in this prospectus. If there is any inconsistency between the information in this prospectus and any prospectus supplement, you should rely on the information in that prospectus supplement. You should read both this prospectus and the applicable prospectus supplement together with the additional information described below under the heading **Where You Can Find More Information About the BHP Billiton Group**.

The registration statement containing this prospectus, including exhibits to the registration statement, provides additional information about us and the debt securities offered under this prospectus. The registration statement can be read at the SEC offices and its website as described under the heading **Where You Can Find More Information About the BHP Billiton Group**.

When acquiring any debt securities discussed in this prospectus, you should rely only on the information provided in this prospectus and in any prospectus supplement, including the information incorporated by reference (see the discussion on page 4 under the heading **Incorporation of Information We File with the SEC**). Neither we, nor any underwriters or agents, have authorized anyone to provide you with different information. We are not offering the debt securities in any jurisdiction where the offer is prohibited. You should not assume that the information in this prospectus, any prospectus supplement, or any document incorporated by reference, is truthful or complete at any date other than the date mentioned on the cover page of these documents.

We may sell the debt securities to underwriters who will sell the debt securities to the public on terms fixed at the time of sale. In addition, the debt securities may be sold by us directly or through dealers or agents we designate from time to time. If we, directly or through agents, solicit offers to purchase any debt securities, we reserve the right to accept and, together with our agents, to reject, partially or entirely, any of those offers.

An applicable prospectus supplement will contain the names of any underwriters, dealers or agents together with the terms of an offering of debt securities, the compensation of those underwriters, and the net proceeds to us. Any underwriters, dealers or agents participating in an offering of debt securities may be considered **underwriters** within the meaning of the U.S. Securities Act of 1933.

In this prospectus, the terms **we**, **our**, **us**, **BHP Billiton** and **BHP Billiton Group** refer to BHP Billiton Limited and BHP Billiton Plc, together with their respective subsidiaries (including the issuer). **BHP Billiton Plc Group** refers to the group that is BHP Billiton Plc and its subsidiary companies. **BHP Billiton Limited Group** refers to the group that is BHP Billiton Limited and its subsidiary companies. **BHP Billiton Plc** refers to the parent entity that was formerly Billiton Plc before the implementation of the dual listed company structure and **BHP Billiton Limited** refers to the parent entity that was formerly BHP Limited before the dual listed company structure. We refer to BHP Billiton Finance (USA) Limited as **BHP Billiton Finance (USA)** or the issuer. We refer to BHP Billiton Limited and BHP Billiton Plc together as the guarantors.

### **WHERE YOU CAN FIND MORE INFORMATION ABOUT THE BHP BILLITON GROUP**

BHP Billiton Limited and BHP Billiton Plc file annual and special reports and other information with the SEC. You may read and copy any document that either BHP Billiton Limited or BHP Billiton Plc files at the SEC's public reference room located at 100 F Street, NE Washington, DC 20549. Please call the SEC at 1-800-SEC-0330 for further information on the public reference room. In addition, the SEC maintains an Internet

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site ([www.sec.gov](http://www.sec.gov)) that contains reports filed by us. American depositary shares representing ordinary shares of BHP Billiton Limited are listed on the New York Stock Exchange, and its ordinary shares are listed on the Australian Stock Exchange. American depositary shares representing ordinary shares of BHP Billiton Plc are listed on the New York Stock Exchange, and its ordinary shares are admitted to the Official List of the Financial Services Authority in its capacity as competent authority under the Financial Services Act 1986, referred to as the UK Listing Authority, and the London Stock Exchange Plc for trading on the London Stock Exchange's market for listed securities. You can consult reports and other information about BHP Billiton Limited that it has filed pursuant to the rules of the New York Stock Exchange and the Australian Stock Exchange, and about BHP Billiton Plc that it has filed pursuant to the rules of the New York Stock Exchange and the UK Listing Authority, at those exchanges or authority.

We will make available to the holders of debt securities, at the corporate trust office of the trustee under the indenture governing the debt securities, copies of the indenture as well as our most recent annual report on Form 20-F, including a review of operations, and annual audited consolidated financial statements prepared in conformity with International Financial Reporting Standards as adopted by the European Union, or IFRS. These annual audited consolidated financial statements will include a reconciliation to U.S. generally accepted accounting principles of the material variations to IFRS. We will also make available at the corporate trust office of the trustee our semi-annual consolidated financial statements, prepared in accordance with IFRS.

### **INCORPORATION OF INFORMATION WE FILE WITH THE SEC**

The SEC allows BHP Billiton Limited and BHP Billiton Plc to incorporate by reference the information each of them files with the SEC. This permits BHP Billiton Limited and BHP Billiton Plc to disclose important information to you by referring you to these filed documents. Any information referenced in this way is considered part of this prospectus, and any information that we file with the SEC subsequent to this prospectus and incorporate by reference into this prospectus will automatically be deemed to update and supersede this information, as described in more detail below. We incorporate by reference the following documents that have been filed with the SEC:

The Annual Report on Form 20-F of BHP Billiton Limited and BHP Billiton Plc for the fiscal year ended June 30, 2006.

Amendment No. 1 to the Annual Report on Form 20-F/A of BHP Billiton Limited and BHP Billiton Plc for the fiscal year ended June 30, 2006.

The report on Form 6-K of BHP Billiton Limited and BHP Billiton Plc furnished on March 12, 2007, relating to our unaudited financial results as of and for the six months ended December 31, 2006 and 2005.

We also incorporate by reference any future filings made with the SEC under Sections 13(a), 13(c), 14 or 15(d) of the Securities Exchange Act of 1934 until we terminate the offering contemplated by any prospectus supplement to this prospectus. In addition, we may incorporate by reference some future reports on Form 6-K, but only to the extent indicated in those reports. Any statement contained herein, or in a document all or a portion of which is incorporated or deemed to be incorporated by reference herein, shall be deemed to be modified or superseded for purposes of the registration statement and this prospectus to the extent that a statement contained herein or in any other subsequently filed document which also is or is deemed to be incorporated by reference herein modifies or supersedes such statement. Any such statement so modified or superseded shall not be deemed, except as so modified or superseded, to constitute a part of the registration statement or this prospectus.

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We will provide without charge, upon written or oral request, a copy of any or all of the documents incorporated by reference in this prospectus, other than exhibits which are specifically incorporated by reference in such documents. Requests should be directed to BHP Billiton, 180 Lonsdale Street, Melbourne, Victoria 3000, Australia, Telephone 011 61 1300 55 4757.

### **CAUTIONARY STATEMENT REGARDING FORWARD-LOOKING STATEMENTS**

Some of the information contained or incorporated by reference in this prospectus and any prospectus supplement may constitute forward-looking statements (within the meaning of Section 27A of the U.S. Securities Act of 1933 and Section 21E of the U.S. Securities Exchange Act of 1934), which are subject to various risks and uncertainties. These statements can be identified by the use of forward-looking terminology such as may, will, expect, anticipate, estimate, continue, plan, intend, believe or other similar words. These statements are not guarantees of future expectations concerning results of operations or financial condition or provide other forward-looking information. Our actual results, performance or achievements could be significantly different from the results expressed in, or implied by, those forward-looking statements. You should not place undue reliance on any forward-looking statement, which speaks only as of the date made.

When considering these forward-looking statements, you should keep in mind the cautionary statements contained or incorporated by reference in this prospectus. These statements describe circumstances that could cause actual results to differ materially from those contained in any forward-looking statement. These statements include, but are not limited to, the information regarding:

estimated reserves;

trends in commodity prices;

demand for commodities;

plans, strategies and objectives of management;

closure or divestment of certain operations or facilities (including associated costs);

anticipated production or construction commencement dates;

expected costs or production output;

the anticipated productive lives of projects, mines and facilities; and

provisions for contingent liabilities.

These forward-looking statements are not guarantees or predictions of future performance, and involve known and unknown risks, uncertainties and other factors, many of which are beyond our control, which may cause actual results to differ materially from those expressed in the statements contained in this prospectus.

For example, our future revenues from our operations, projects or mines described in this prospectus will be based, in part, upon the market price of the minerals, metals or petroleum produced, which may vary significantly from current levels. These variations, if materially adverse, may impact the timing or the feasibility of the development of a particular project, or the expansion of certain facilities or mines. Other factors that may affect the actual construction or production commencement dates, costs or production output and anticipated lives of operations, mines or

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facilities include our ability to profitably produce and transport the minerals, petroleum and/or metals extracted to applicable markets, the impact of foreign currency exchange rates on the market prices of the minerals, petroleum or metals we produce, activities of government authorities in certain of the countries where we are exploring or developing these projects, facilities or mines, including increases in taxes, changes in environmental and other regulations and political uncertainty and other factors identified in the risk factors listed above. We cannot assure you that our estimated reserve figures, closure or divestment of such operations or facilities, including associated costs, actual production or commencement dates, cost or production output, or anticipated lives of the projects, mines and facilities discussed in this prospectus will not differ materially from the statements contained in this prospectus.

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### **THE BHP BILLITON GROUP**

We are the world's largest diversified resources group with a combined market capitalization of approximately US\$115.7 billion as of January 31, 2007 and we generated revenue, together with our share of jointly controlled entities' revenue and profit attributable to members of BHP Billiton of US\$39.1 billion and US\$10.5 billion respectively for the fiscal year ended June 30, 2006.

Since June 2001, we have operated under a Dual Listed Companies (DLC) structure. Under the DLC structure, the two parent companies, BHP Billiton Limited (formerly BHP Limited, and before that The Broken Hill Proprietary Company Limited) and BHP Billiton Plc (formerly Billiton Plc) operate as a single economic entity, run by a unified Board and management team.

We divide our business into nine business units, or Customer Sector Groups (CSGs):

Petroleum, which explores for, produces, processes and markets hydrocarbons including oil, gas and liquefied natural gas;

Aluminium, which explores for and mines bauxite and processes and markets aluminium and alumina;

Base Metals, which explores for, mines, processes and markets copper, silver, zinc, lead, uranium, and copper by-products including gold and molybdenum;

Diamonds and Specialty Products, which explores for and mines diamonds and titanium minerals, and formerly included our recently-sold fertiliser operations;

Stainless Steel Materials, which explores for, mines, processes and markets nickel, which is used in the production of stainless steel;

Iron ore, which explores for, mines, processes and markets iron ore;

Manganese, which explores for, mines, processes and markets manganese, which is also used in the production of carbon steel;

Metallurgical Coal, which explores for, mines, processes and markets metallurgical coal, which is used in the production of carbon steel; and

Energy Coal, which explores for, mines, processes and markets energy coal for use in electricity generation.

Iron Ore, Manganese and Metallurgical Coal, which prior to July 1, 2006 were reported as the Carbon Steel Materials CSG, are now reported as separate CSGs.

In addition to the nine CSGs, we also have a minerals exploration group, a technology group and a freight, transport and logistics operation.

### **BHP BILLITON FINANCE (USA) LIMITED**

BHP Billiton Finance (USA) Limited, a corporation organized under the laws of the Commonwealth of Australia, is a wholly-owned finance subsidiary of BHP Billiton Limited. BHP Billiton Finance (USA) Limited was formed for the purpose of borrowing on behalf of the BHP Billiton Group and advancing the net proceeds of such borrowings to members of the BHP Billiton Group. The principal executive offices of BHP Billiton Finance (USA) Limited are located at 180 Lonsdale Street, Melbourne, Victoria 3000, Australia. The issuer's telephone number is

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011-61-3-9609-3333.

BHP Billiton Finance (USA) is empowered under its Constitution to borrow or raise money in such manner as it sees fit and in particular by the issue of debentures or other securities, such as the debt securities.



**Table of Contents****RATIO OF EARNINGS TO FIXED CHARGES**

Shown below are the combined ratios of earnings to fixed charges for the BHP Billiton Group for the periods indicated. This information has been calculated in accordance with IFRS and US generally accepted accounting principles. We adopted IFRS for the first time in the 2006 fiscal year and have only restated comparatives for the 2005 fiscal year. Consequently, no IFRS financial information is provided for periods ending before that date.

	Half year ended December 31,	Year ended June 30,				
	2006	2006	2005	2004	2003	2002
In accordance with IFRS	27.6	22.0	21.4			
In accordance with US GAAP		20.7	20.9	8.6	6.3	4.9

We computed the ratio of earnings to fixed charges by dividing the amount of earnings by the amount of fixed charges. For the purposes of calculating this ratio, we have calculated earnings by adding pre-tax income before adjustment for minority interests in consolidated subsidiaries or income or loss from equity investees, fixed charges and distributed income of equity investees. Interest capitalized and the minority interest in pre-tax income of subsidiaries that have not incurred fixed charges were subtracted from the total of the added items. Fixed charges consist of interest costs, both expensed and capitalized, a reasonable approximation of the interest component of rental expense and pre-tax earnings required to cover any preferred stock dividend requirements.

**USE OF PROCEEDS**

Unless otherwise indicated in an accompanying prospectus supplement, BHP Billiton Finance (USA) intends to lend the net proceeds from the sale of any debt securities sold under this prospectus to BHP Billiton Limited, which will use such proceeds for general corporate purposes, including retirement of existing debt and working capital.

**ENFORCEMENT OF CIVIL LIABILITIES**

The issuer is a corporation organized under the laws of the Commonwealth of Australia. BHP Billiton Plc is a public limited company incorporated under the laws of England and Wales. BHP Billiton Limited is a corporation organized under the laws of the Commonwealth of Australia. Substantially all the directors and officers of these companies, and some of the experts named in this document, reside outside the United States, principally in Australia and the United Kingdom. A substantial portion of the assets of these companies, and the assets of the directors, officers and experts, is located outside the United States. Therefore, you may not be able to effect service of process within the United States upon these companies or persons so that you may enforce judgments of United States courts against them based on the civil liability provisions of the United States federal securities laws. In addition, there are doubts as to the ability of an investor to bring an original action in an Australian or United Kingdom court to enforce liabilities against us or any person based on U.S. federal securities laws.

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### **DESCRIPTION OF DEBT SECURITIES THAT WE MAY OFFER**

#### **General**

*The following is a summary of the general terms of the debt securities. Each time that we issue debt securities, we will file a prospectus supplement with the SEC, which prospectus supplement will be attached to this prospectus. You should read that prospectus supplement carefully. The prospectus supplement may contain additional terms of those debt securities.*

*The terms presented here, together with the terms contained in the prospectus supplement, will be a description of the material terms of the debt securities being offered to you. If there is any inconsistency between the terms presented here and those in the prospectus supplement, however, the terms in the prospectus supplement will apply and will replace those presented here.*

*You should also read the indenture under which we will issue the debt securities. We have filed the indenture with the SEC as an exhibit to the registration statement of which this prospectus is a part. The terms of the debt securities include those stated in the indenture and those made part of the indenture by reference to the U.S. Trust Indenture Act of 1939.*

We may issue as many distinct series of debt securities under the indenture as we wish. This section summarizes terms of the debt securities that are common to all series. Most of the financial terms and other specific terms of your debt securities are described in the prospectus supplement attached to this prospectus. Those terms may vary from the terms described here.

The relevant prospectus supplement for any particular series of the debt securities will describe the following terms of debt securities offered (to the extent not described in this prospectus or to the extent different from this prospectus):

the specific designation of the debt securities and the aggregate principal amount being offered;

any limit on the aggregate principal amount of the series of debt securities;

the person to whom any interest on the debt securities shall be payable, if other than the person in whose name the debt security is registered;

the date or dates on which the principal of the debt securities is payable;

the interest rate or rates, the date or dates from which interest will accrue, the dates on which interest is payable and the record dates for determining to whom interest is payable;

the place or places where payments of principal and any premium and interest are payable;

the terms of any optional or mandatory redemption of debt securities, including the amount of any premium;

the denominations in which the debt securities will be issued, if other than US\$1,000;

any index or formula used to determine the amount of payments on the debt securities;

the currency or currencies in which the debt securities are denominated and in which we will make any payments;

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the portion of the principal amount of the debt securities payable upon acceleration of maturity due to an event of default;

if the principal amount of the debt securities will not be determinable prior to maturity, the amount which will be deemed to be the principal amount or the method by which the principal amount will be calculated;

the forms of the debt securities and the guarantees;

the terms of any defeasance of the debt securities;