

SFE Bulletin No: 51/01

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BROKEN HILL PROPRIETARY COMPANY LTD – PROPOSED DLC MERGER WITH BILLITON PLC

1. Introduction and Executive Summary

- 1.1 Broken Hill Proprietary Company Limited (BHP) and Billiton Plc have announced their intention to merge by way of a Dual Listed Company (DLC) structure. The merger is subject to the satisfaction of conditions contained in the Implementation Agreement.
- 1.2 Under the terms of the DLC merger, BHP will issue 1.0651 bonus shares per BHP share held to existing BHP shareholders. Bonus shares will be issued to BHP shareholders on or about the date that the DLC merger is implemented.
- 1.3 BHP has indicated that it will make an announcement when all conditions have been satisfied. That announcement will notify BHP shareholders of the date on which the DLC merger will be implemented and the timing of the bonus issue (including the Record Date for entitlement to BHP bonus shares). A further Bulletin outlining the Effective Date of adjustments to be made to BHP Individual Share Future contracts will be issued at that time.
- 1.4 **The purpose of this Bulletin is to describe adjustments to be made in respect of existing BHP Individual Share Future contracts (commodity code 'BR') and the listing of a new BHP Individual Share Futures contract (commodity code to be advised at a later date), subject to the DLC merger becoming effective.**

2. Individual Share Future Adjustments

- 2.1 Should the DLC merger become effective, existing BHP shareholders will receive an additional 1.0651 bonus shares (adjusted upward to the nearest whole number) for every existing BHP share held.
- 2.2 **The new Contract Size of existing BHP Individual Share Future contracts (commodity code 'BR') will therefore be 2,066 shares per lot. Similarly, the contract tick value will be adjusted to \$20.66.**

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2.3 Contract Size adjustment of existing BHP 'BR' series will occur on the Effective Date (to be announced).

3. Exercise & Settlement

3.1 Eligible exercise notices that do not settle prior to the Effective Date in existing BR series will be satisfied by the delivery of an adjusted number of fully paid Ordinary BHP shares per lot as per 2.2 above.

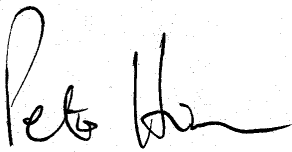
4. New Series

4.1 Following the DLC merger, no additional BHP series (commodity code 'BR') will be introduced.

4.2 Subsequently, BHP 'BR' series that expire in the usual manner will be replaced by new BHP Individual Share Futures contracts (commodity code to be advised at a later date) with a standard Contract Size of 1,000 BHP shares per lot.

5. Further Information

5.1 Participants seeking further information in relation to this Bulletin should contact Glenn Byrne at SFE (02 9256 0677) or Kyrra Grunnsund (02 9256 0430) at SFE Clearing.



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