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18 May 2015

Ross Pullen  
ASX Derivatives  
Level 6, 20 Bridge Street  
Sydney NSW 2000



Dear Ross,

For announcement to the market:

**Macquarie Self Funding Instalment Warrants – BHP Billiton Limited (BHP) (the “Listed Entity”)  
Demerger**

Macquarie Bank Limited (“Macquarie”) is the issuer of the following Instalment warrants over securities in the Listed Entity.

	<b>ASX Code(s):</b>
Self-Funding Instalments:	BHPSMB, BHPSMC, BHPSMX & BHPSMY

On 16 March 2015, the Listed Entity announced a Demerger pursuant to which eligible shareholders in the Listed Entity will receive one security in South32 Limited for every one Listed Entity security held on record date 20 May 2015. Further information about the announcement can be found in announcements made to the ASX by the Listed Entity.

**Instalment Adjustments**

Macquarie advises that pursuant to the relevant Terms of Issue, the following adjustments have been made to the above Instalments:

- The value realised for the Offer is \$2.12 per Instalment.
- The value of the Offer (per Instalment) and a pro-rata portion of the Interest Amount\* prepaid have been applied to reduce the current Loan Amount.

<b>ASX Code</b>	<b>Previous Loan Amount</b>	<b>Value of the Offer Per Instalment</b>	<b>Interest Refund*</b>	<b>Adjusted Loan Amount</b>
BHPSMB	\$27.4719	\$2.1200	\$0.0074	\$25.3445
BHPSMC	\$25.1329	\$2.1200	\$0.0074	\$23.0055
BHPSMX	\$17.4680	\$2.1200	\$0.0074	\$15.3406
BHPSMY	\$20.5721	\$2.1200	\$0.0074	\$18.4447

This letter assumes no other adjustments will be made to any series of Instalments before the adjustments described are made. The above mentioned Instalments will commence trading on an adjusted basis on Tuesday 19 May 2015.

If you have any questions regarding this matter please contact your Stockbroker or Financial Adviser. Alternatively, Ask Macquarie on 1800 803 010.

Yours Sincerely,  
Client Service Team  
Macquarie Securities Group  
**Macquarie Bank Limited**

\* Where your Instalment has a fixed and variable interest structure, the interest refund represents a refund of the Variable Interest Amount.