

Update on BBP Total Capital Commitments and Structure

23 May 2008

Introduction

- Further to recent announcements BBP provides clarifying information on its debt profile and anticipated capital requirements
- Total BBP capital requirements comprised of refinancing of existing \$3.1b of Alinta acquisition and project finance debt and equity capital funding for new development projects being undertaken through to mid 2009
- BBP has received strong support from banks for its proposed debt refinancing programme
- BBP has restructured the BBPF financing to a \$2.7b level to ensure an investment credit rating will be achieved
- The next step in the programme is completion of a Corporate Debt Facility (BBPH Holdings level) of up to \$0.36b providing total bank debt of ~\$3.06b
- BBP has aggregate capital requirements of approximately \$0.3b in relation to the Tamar Project and Newman Expansion, \$0.065b of which has already been funded from cash reserves

BBP Refinancing (~\$3.06 billion in total)

BBPF Refinancing (\$2.7 billion)

- Refinancing due to close within next few weeks
 - Formal preliminary credit approval received from all 11 selected banks some time ago
 - Final credit approval received from 9 of the 11 banks with the balance due imminently
 - Due Diligence completed by all banks, no outstanding issues
 - All commercial terms agreed
 - Documentation largely finalised
 - Facility has no market related clauses that will cause right of review
- Sized to achieve investment grade debt rating in current environment
- The Asset Pool associated with the BBPF Refinancing includes Flinders; Braemar; Port Hedland; Newman; Goldfields Gas Pipeline; LPG; Pinjarra; Wagerup; Alinta; Cawse; Glenbrook and Bairnsdale

BBPH Refinancing (Up to \$0.36b)

- The next step in completion of the financing programme is finalisation of the BBPH Corporate Debt Facility
- This process is well underway with closure expected August 2008
- BBPH Corporate Debt Facility will enjoy strong interest cover of circa 7x plus
- The Asset Pool associated with the Corporate Debt Facility includes residual BBPF cashflows, Ecogen, Oakey, Redbank; Kwinana; Neerabup and Uranquinty

Anticipated Capital Expenditure (Up to \$300m)

- Anticipated aggregate capital funding of up to \$300m is required for new development projects through to mid 2009 required for Tamar and Newman expansion
- The 380MW Tamar Power Project was committed between contractual execution and settlement of the Alinta Scheme
- BBP has to date financed net \$65 million of the Tamar Power Project at 31 May 2008 from cash reserves
- Project Finance facility for Tamar planned and on target for completion August 2008 which should free up some of the existing capital contributed to Tamar to date
- Project Finance facility for Tamar scheduled to reach financial close upon loan security being restructured as part of the BBPF and BBPH refinancings
- The \$90m Newman Expansion also committed

Summary Sources & Uses

Uses	\$ million
Debt Refinance comprised of	
– \$2.1 billion Alinta acquisition facilities mature August 2008	\$3,100
– \$1 billion asset-level debt	
Approximate aggregate equity capital requirements in relation to the Tamar Project and Newman Expansion (post project financing)	\$300
Total Uses	\$3,400
Sources	
BBPF financing facility	\$2,700
BBPH Corporate Debt Facility	\$360
Tamar net funding todate	\$65
Additional funding requirement	~ \$275
Total Potential Sources	\$3,400

- We are exploring optimal ways to fund the additional funding requirement, including
 - Have commenced discussions with parties regarding potential investment in selected assets that sit outside the project facility
 - Sale of non core assets
 - Additional debt
 - Ongoing DRP
 - Convertible securities
 - Ordinary equity
- B&B remains fully supportive of BBP and will participate in any funding required

Conclusion

- BBP's underlying assets continue to perform well with EBITDA in line with expectations
- Strong support from banks for the BBPF Refinancing in a difficult market environment
- BBPF Refinancing sized to achieve investment grade debt rating in current environment
- BBPH Corporate Debt Facility discussions are underway with facility scheduled to be financed by the end of August
- Project finance facility advanced for Tamar
- Additional funding requirements of ~ \$275 million post BBPF and BBPH refinancings in essence relate to new development projects through to mid 2009
- BBP and B&B exploring optimal ways to fund additional funding requirements
- B&B remains committed to BBP, continues to provide strong support and will participate in any funding required

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