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BHP boss faces a grilling

By MATHEW MURPHY

BHP Billiton boss Marius Kloppers will come under pressure from shareholders at tomorrow's annual meeting to outline whether he plans to embark on a multibillion-dollar share buyback or target other potential acquisitions such as Woodside Petroleum.

Mr Kloppers will address shareholders in Perth with questions still unanswered on whether BHP will give up on its \$US40 billion bid for Potash Corp, following a rebuke from the Canadian government on foreign interest grounds, or fight on and extend its offer that expires on Thursday.

Mr Kloppers may also be required to explain why he believes a carbon tax to reduce greenhouse gas cut emissions is the best policy outcome for BHP shareholders and the economy after he put the need for a carbon price back on the political agenda in September.

The Australian Conservation Foundation is also expected to

attack BHP over its \$20 billion expansion plans for Olympic Dam, the world's largest uranium deposit.

ACF nuclear free campaigner David Noonan said the group will ask the BHP board if the new open-pit mine is only considered economic because it is designed to leak up to 8 million litres of radioactive waste a day.

"This company plans to dump rather than to dispose of their radioactive wastes, and do not intend to rehabilitate the proposed open pit, intending instead to leave a toxic lake as a permanent scar on the landscape," he said.

A spokeswoman for BHP said Olympic Dam was inspected and regulated by the Environment Protection Authority and the tailings were essentially crushed granite that had been found in numerous reports not to have a harmful effect.

A supplementary environmental impact statement is expected to be released to the federal government next month following more than

4000 submissions.

Analysts meanwhile are more interested in what the cashed-up miner plans to do post another seemingly flat-lining transaction in Potash. While few believe the Canadian government will overturn its decision within 30 days, BHP shareholders will have to wait until the board formally walks away from its bid for Potash before it is able to unveil any share buyback.

Some believe BHP will at least look to return the \$US4.2 billion it still had left to spend from its \$US13 billion share buyback in 2007. That buyback was interrupted when it launched its scrip bid for Rio Tinto.

BHP has also refused to comment on market speculation that it could be sizing up a play for Woodside, following Shell's decision to sell 10 per cent of the oil and gas company and announce plans to offload its remaining 24.3 per cent stake.

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DAVID NOONAN, Australian Conservation Foundation